



Power of CEO



Report on Corporate
Governance and

Ownership Structures

pursuant to art. 123-bis of
the FCA

Chief Executive Officer

During the same meeting, the Board of Directors passed a resolution to vest the Chief Executive Officer with the following powers:

1. to execute the decisions of the Shareholders' Meeting and of the Board of Directors as far as his/her authority permits;
2. to make, in association with the Chairman, any urgent decision reserved for the Board of Directors, which the Board shall be notified of in the first meeting thereafter;
3. to implement corporate and Group strategies, within the context of directives established by the Board, and to exercise the powers delegated thereto, and in particular those listed hereunder, in compliance with said strategies and directives;
4. to propose to the Board all the initiatives that he/she may deem useful to the interests of the Company, and the Group, and to draw up proposals on matters reserved for said Board;
5. to draw up the annual budget to be submitted before the Board of Directors;
6. to be responsible for the organisation of the services and offices under his/her authority and also for subordinate employees;
7. to define the functional structures of the Company and its subsidiaries, within the framework of the general organisation guidelines established by the Board, specify the criteria for personnel recruitment and management in compliance with the annual budget; propose the appointment of managers to the Board of Directors; engage, appoint and dismiss personnel up to and excluding the rank of General Manager, in compliance with the provisions contained in the annual budgets; adopt and implement the disciplinary sanctions, dismissal and any other measure in respect of blue-collar workers, office workers, assistants and auxiliary staff;
8. to stipulate, amend and terminate contracts for the opening of credit, loans of any type and duration; request the drawdown of tranches of loans, up to the amount of Euro 3,000,000 (Euro three million) for each contract;
9. to open and close current accounts with banks and credit institutions, withdraw sums from the accounts held in the Company's name, issuing for this purpose the relative cheques or equivalent credit documents, and order transfers utilising effective availability or credit lines in the current account;
10. to make payments into bank and post office accounts of the Company, and to endorse cheques and drafts for crediting on said accounts;
11. to draw bills on customers, endorse also for discount promissory notes, bills and drafts as well as cheques of any kind and effect any consequential transaction;
12. to actively and passively represent the Company before tax authorities and commissions of any nature and rank as well as before the Cassa Depositi Prestiti, the Bank of Italy, customs offices, post and telegraphic Offices; by way of example:
 - a. to sign tax and VAT returns and to fulfil any tax-related obligation,
 - b. to submit reports, motions and appeals, to apply for licences and authorisations;
 - c. to issue receipts, in particular for payment orders in relation to credits subject to factoring transactions;
 - d. to perform any transaction at the Cassa Depositi Prestiti, the Bank of Italy, customs offices, post and telegraphic offices for shipment, deposit, clearance and collection of goods, credit instruments, parcels and packages, registered and insured letters, issuing receipt in discharge;
13. to represent the Company in all lawsuits pertaining to labour law including the power to:
 - a. settle individual labour disputes concerning the categories of officers, white-collar workers, assistants and auxiliaries;
 - b. request and oppose any evidence, undergo free or formal examination, elect domicile, appoint lawyers, attorneys and arbitrators and perform all else that proves necessary to the positive outcome of the lawsuits at issue;
14. to represent the Company before social security and welfare offices and institutions for the settlement of issues relating to employees of the Company, and also before trade unions in negotiations for contracts, agreements and labour disputes, with the power to sign the relative documents;
15. to issue guarantees and grant loans up to the value of Euro 500,000.00 (Euro five hundred thousand) for each transaction; said limit shall not apply to transactions related to participation in tenders; issue, accept and endorse credit instruments;
16. to grant and revoke powers of attorney within the sphere of the aforesaid powers, for individual acts or categories of acts, to both employees of the Company and to third parties including legal entities;
17. to participate, as far as his/her authority permits, in the capacity of representative of the Company, as parent company or as principal company, in the formation of joint ventures, T.A.C. (Temporary

Associations of Companies), E.G.E.I. (European Group of Economic Interest), consortia and other entities, issuing and receiving the relative mandates, for the purpose of participating in tenders for the awarding of works, services and supplies;

18. to take part, as far as his/her authority permits, in the Company's name, also in T.A.C. (Temporary Associations of Companies), E.G.E.I. (European Group of Economic Interest), consortia and other entities, in tenders for contracts or concessions, auctions, private invitations to tender, private negotiations, calls for bids and other public auctions at national, EU and international level, even admitted to State grants or aid, for the awarding of works, supplies of plant, including "turnkey", and/or of goods and/or of studies and/or of research and/or of services in general for any national, EU or international public or private entity; submit applications for participation as from the prequalification stage; submit bids and, in the case of awarding, sign the relative documents, contracts and commitments, including the issue of guarantees and/or the establishment of guarantee deposits, with the widest powers to negotiate, settle and/or complete all the clauses that he/she may deem necessary and/or appropriate and/or useful;

19. to take part, as far as his/her authority permits, in any type of public or private auction or invitation to bid in Italy and abroad;

20. as far as his/her authority permits, to stipulate, amend and terminate commercial and service agreements of any nature with companies and entities;

21. as far as his/her authority permits, to stipulate, with all the appropriate clauses, assign and terminate contracts and agreements in any case pertaining to the corporate purpose – including those referring to know-how, trademarks and patents – including in association with other companies;

22. to establish, in the Company's interests, consultancy activities with external experts and professional consultants, specifying terms and conditions of payment, all within the limits of Euro 100,000 (Euro one hundred thousand) for each transaction;

23. to conclude settlements, sign arbitration agreements and arbitration clauses, also proceeding to nominate and appoint arbitrators;

24. to arrange for sureties to be provided by third parties in favour or in the interests of the Company, both in its position as creditor and as debtor, not exceeding the amount of Euro 100,000 (one hundred thousand) for each transaction;

25. to provide for the expenses incurred by the Company for investments; stipulate, amend and terminate the relative contracts, in particular for:

- a. works and supplies necessary for the transformation and maintenance of properties and plant;
- b. purchases and disposals of furniture, fittings, machinery and moveable assets in general, including those enrolled in public registers, as well as finance leases and rentals of said assets, with the cost limit referring to the annual rental;
- c. purchases, also under usage licence with the cost limit referring to the annual premium, and job orders relating to EDP programmes;
- d. commercial information;

26. to appoint attorneys for single acts, within the powers assigned;

27. the Chief Executive Officer is also assigned the authority and responsibility set forth in Legislative Decree no. 626 of 19 September 1994, as well as Legislative Decree no. 81 of 9 April 2008 and subsequent amendments and integrations regarding worker health and safety during work, with the authority to delegate, with the exception of the following sectors/structure, for which the role of "Employer" is covered by other specifically appointed parties:

- a. Services sector;
- b. General Management - Operations, specifically for the Corporate Departments of Gas Distribution, Water Cycle Sector, Electricity Distribution Sector, District Heating Sector, Waste Management Sector, Large Plants Engineering Sector, as well as for the Staff Planning, Control, TOC Relations Coordination, Research and Development and Meter Reading Sectors.
- c. TOC Business Unit Corporate Departments for Bologna, Ferrara, Forlì – Cesena, Imola – Faenza, Modena, Ravenna and Rimini;

28. in particular, the Chief Executive Officer is assigned the role of "Employer" pursuant to and for the purposes of art. 2 of Legislative Decree no. 626 dated 19 September 1994, and art. 2 of Legislative Decree no. 81 of 9 April 2008 and subsequent amendments and integrations, with the duties provided for therein with faculty to delegate, as far as is permitted by said decree, the performance of every activity useful and/or necessary for ensuring compliance with the provisions of the law;

29. lastly, the Chief Executive Officer is assigned the powers and responsibilities set forth in Legislative Decree no. 196 dated 30 June 2003 concerning the protection of individuals and other parties in observance of the handling of personal details.

Hence both the Chairman and the Chief Executive Officer are executive directors.