

Repertorio n. 54248

Raccolta n. 34354

**MINUTES OF THE EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING OF "HERA S.P.A."  
HEADQUARTERED IN BOLOGNA (BO).**

I T A L I A N R E P U B L I C

On the twenty-third of April two thousand fourteen at 10.20 A.M..  
In Bologna, via Gobetti n. 101.

Before me Federico Tassinari, notary registered with the Notaries' Association  
of the District of Bologna, residing in Imola,

Appeared

- **TOMMASI DI VIGNANO Tomaso**, born in Brescia (BS) on 14 July 1947, domiciled for  
the office as stated below, who was proceeding herein in his capacity as  
Chairman of the Board of Directors of "**HERA S.p.A.**" with registered office in  
Bologna, Viale Carlo Berti Pichat n. 2/4, share capital Euro 1,421,342,617.00  
(one billion four hundred twenty-one million three hundred forty-two thousand  
six hundred seventeen point zero zero), subscribed and fully paid up, tax code  
and registration number with the Bologna Companies Register 04245520376, R.E.A.  
Number BO-363550 (hereinafter also the "**Company**").

This appearing party, an Italian citizen, of whose personal identity I, the  
notary, am certain, declared that an Extraordinary and Ordinary Shareholders'  
Meeting of the aforesaid Company has been convened on a single call, in this  
location and for this date and time by means of a notice disclosed to the market  
and published on the Company's website, as well as in the Italian daily  
newspapers "Italia Oggi" and "QN - Quotidiano Nazionale" on 28 February 2014, in  
order to discuss and resolve upon the following

AGENDA

**Extraordinary Part**

1. Amendment of Article 16.1 of the Company's Articles of Association as  
modified by the Transitory Clause thereof: related and consequent resolutions.
2. Amendment of Article 17.2 of the Company's Articles of Association, as  
modified by the Transitory Clause thereof: related and consequent resolutions.
3. Approval of the merger by incorporation of Amga - Azienda Multiservizi S.p.A.  
into Hera S.p.A., pursuant to Article 2501 and following of the Italian Civil  
Code, and consequent amendment of paragraph 5.1 of the Articles of Association:  
related and consequent resolutions.

**Ordinary Part**

1. Financial statement as at 31 December 2013, Directors' Report, profit  
allotment proposal and Board of Statutory Auditors report: related and  
consequent resolutions.
2. Presentation of the corporate governance report and resolutions concerning  
remuneration policies.
3. Renewal of the authorisation to purchase treasury shares and relevant  
allotment policies: related and consequent resolutions.
4. Appointment of the members of the Board of Directors: related and consequent  
resolutions.
5. Definition of the remuneration for the members of the Board of Directors:  
related and consequent resolutions.
6. Appointment of the members and the Chairman of the Board of Statutory  
Auditors: related and consequent resolutions.
7. Definition of the remuneration for the members of the Board of Statutory

Auditors: related and consequent resolutions.

8. Appointment of the independent auditors for the financial years 2015 - 2023: related and consequent resolutions.

The chairmanship of the Meeting was assumed pursuant to Article 13 of the Articles of Association and Article 4 of the Shareholders' Meeting Regulations by the said appearing party, who ascertained that:

the Meeting had been duly called in accordance with Articles 9 and 10 of the Articles of Association;

- for the Board of Directors, in addition to the said Chairman, the following Directors were in attendance:

- Maurizio Chiarini, Chief Executive Officer;
- Giorgio Razzoli, Vice Chairman;
- Mara Bernardini, Director;
- Filippo Brandolini, Director;
- Luigi Castagna, Director;
- Marco Cammelli, Director;
- Fabio Giuliani, Director;
- Stefano Manara, Director;
- Luca Mandrioli, Director;
- Mauro Roda, Director;
- Roberto Sacchetti, Director;
- Enrico Giovannetti, Director;
- Bruno Tani, Director;
- Cesare Pillon, Director;

apologies for absence were received from:

- Pier Giuseppe Dolcini, Director;
- Rossella Saoncella, Director;
- Giancarlo Tonelli, Director;
- Giovanni Perissinotto, Director;

and from the Board of Statutory Auditors, the following were present:

- Sergio Santi, Chairman of the Board of Statutory Auditors;
- Elis Dall'Olio, Member of the Board of Statutory Auditors;
- Antonio Venturini, Member of the Board of Statutory Auditors;

- also present was the Secretary of the Board of Directors Mila Fabbri and, pursuant to Article 2 of the Shareholders' Meeting Regulations, the Meeting was attended by the General Manager of Operations, Roberto Barilli and the General Manager of Development and Market, Stefano Venier;

- authorised journalists attended the Meeting from a remote location via closed-circuit TV connection, as provided for by Article 2 of the Shareholders' Meeting Regulations;

- pursuant to Article 2 of the Shareholders' Meeting Regulations, attendance by support service personnel, identified by special staff badges, is allowed: this personnel is present to deal with the technical and organisational demands of the Meeting's proceedings;

- also present were experts to aid in carrying out the Meeting's proceedings;

- the Company had engaged Computershare S.p.A. as Designated Representative, pursuant to Article 135-undecies of Legislative Decree 58/1998 (hereinafter also "**TUF**");

- as of today's date, the share capital totals Euro 1,421,342,617.00 (one

billion four hundred twenty-one million three hundred forty-two thousand six hundred seventeen point zero zero), fully paid up and divided into 1 (one) billion 412 (four hundred twenty-one) million 342 (three hundred forty-two) thousand 617 (six hundred seventeen) ordinary shares with a nominal value of Euro 1 (one) each, of which 1,412,164,552 carry the right to attend this Shareholder's Meeting and vote, with Hera S.p.A. Currently holding 9,178,065 (nine million one hundred seventy eight thousand sixty-five) treasury shares;

- verifications were made, by personnel engaged for this purpose, of the personal identity and legitimacy of the parties attending for the purposes of participation in the Shareholders' Meeting, as well as the of regularity of the proxies submitted, which documents were entered in the Company's records, a detailed list of which is attached hereto as **Appendix A**), in accordance with Appendix 3E to the regulations implementing Legislative Decree 58/1998, adopted by Consob Resolution 11,971 of 14 May 1999 as later amended, and Article 2375 of the Italian Civil Code.

Therefore:

- considering that, with reference to the current legal provisions and Articles of Association, the Extraordinary Shareholders' Meeting is duly convened at first call, with the participation of more than one fifth of the share capital, while the Ordinary Shareholders' Meeting is duly convened and resolves regardless of the portion of the share capital represented by the shareholders in attendance;

- having ascertained the presence at the Meeting of those holding shares bearing the right to vote, a list of whose names is included in the above-mentioned Appendix **A**),

the Chairman declared, based on the powers conferred on him by Article 13 of the Articles of Association and by Articles 4 and 5 of the Shareholders' Meeting Regulations, that the Meeting was duly convened and able to resolve upon the items on the Agenda and engaged me, the Notary, to draft the respective minutes. According to the provisions of Article 5 of the Shareholders' Meeting Regulations, the items on the Agenda would be dealt with in the order indicated above.

Before proceeding to discuss the items on the Agenda, the Chairman also noted that:

a) based on the contents of the Shareholders' Register, taking into account the updates relative to today's Meeting, the notifications received and any other available information, the shareholders directly or indirectly holding an interest in the share capital in excess of 2% (two per cent) were the following:

- Municipality of Bologna
- Municipality of Modena
- HSST-Mo S.p.A.
- Municipality of Imola
- CON.AMI
- Municipality of Ravenna
- Ravenna Holding S.p.A.
- Municipality of Trieste
- Municipality of Padova
- Carimonte Holding S.p.A.
- Lazard Asset Management LLC

The Chairman then went on to explain the operational procedures for carrying out the proceedings of today's Meeting, drawing the attendees' attention to the instructions included in the notice contained in the folder provided at reception, and specifically:

- a) the operations for recording attendance and tallying voting results would be managed with the aid of technical devices and an IT procedure;
- b) shareholders had been provided with a special electronic device known as a "radiovoter", in which an identification code for the Shareholder and the respective shares held was memorised;
- c) this device was to be used to record attendance, including each entry and exit of the meeting room so as to allow proper recording in the minutes, and to cast the vote, and had to be returned to the staff responsible at the end of the Meeting;
- d) voting would therefore take place via the "radiovoter";
- e) detailed instructions for using the "radiovoter" could be found in a specific document contained in the folder provided at reception;
- f) votes against and abstentions thus cast, as well as non-voters, would be automatically recorded and included in a breakdown in an appendix to the minutes of the Meeting;
- g) Shareholders holding proxies who intended to cast votes that varied among the shares represented overall were to go to the special voting station indicated above ("assisted voting");
- h) shareholders were strongly encouraged not to enter and exit the room during voting operations, to facilitate a proper attendance count;
- i) shareholders were invited to participate and take part in the discussion, pursuant to the provisions of Article 6 of the Shareholders' Meeting Regulations, which would be strictly applied during the current Meeting;
- l) to ensure the broadest possible participation in the discussion, shareholders were asked to make statements that were relevant to the agenda items and to limit their duration. Each shareholder could make only one statement on each agenda item.

At the conclusion of all statements on each agenda item discussed, responses would be provided to the shareholders' requests, with the possible suspension of the Meeting's proceedings for a limited amount of time, as allowed for by article 7 of the Shareholders' Meeting Regulations.

Those who had requested the floor would have the option, after the responses, of making a brief reply upon request;

- m) based on the provisions of Article 6 of the Shareholders' Meeting Regulation - taking into account the subject and the relevance of the single agenda items put up for discussion - the Chairman proposed that the maximum duration of the statements be set beforehand at ten minutes, and at five minutes for replies;
- n) all those interested in requesting the floor were asked to proceed, with the appropriate form found in the folder provided to attendees at reception, and with their "radiovoters", to the "SPEAKERS" station in the middle of the room;
- o) as provided for by current regulations, statements would be recorded in the minutes in an abbreviated form, stating the names of the parties taking the floor and the responses obtained;
- p) pursuant to the laws and articles of Association in effect, the Extraordinary Shareholders' Meeting, in relation to the subject matter in:

- items 1) and 3) of the Agenda, would adopt resolutions based on the vote in favour of at least two thirds of the capital represented at the Meeting;
- item 2) of the Agenda, would adopt resolutions based on the vote in favour of at least three quarters of the capital represented at the Meeting, pursuant to Article 14 of the Articles of Association.

The Chairman also stated that the Ordinary Shareholders' Meeting would adopt resolutions by absolute majority of the capital represented by the shareholders present;

q) a voice amplification system would be installed in the room, and an audio-visual recording would be carried out for the sole purpose of facilitating the drawing up of the minutes, as allowed for by Article 3 of the Shareholders' Meeting Regulations.

The Chairman declared that the requirements relating to the formulation of the Meeting had been fulfilled and, on behalf of the entire Board of Directors, thanked the shareholders for attending with the following welcoming speech, transcribed here in its entirety:

"Dear Shareholders,

We hereby submit to your approval the Hera Group's financial statements for the fiscal year 2013, which concludes the three-year mandate of this Board.

As is well known, the general situation of the economy did not significantly improve over 2013; and yet, in spite of this, the results we are now able to present are positive once again, their growth with respect to the preceding year being all the more remarkable by way of the effects of the integration of Acegas-Aps into the Group as at 1 January.

The economic results achieved include an EBITDA of 831 million, with a variation of 25.5%, and a turnover of 4.851 billion; as regards net profits, a value of 181.7 million Euro was furthermore recorded, which represents an increase with respect to the preceding financial year of 35.2%.

In addition to the important contribution made by the above-mentioned expansion operation, that represents the most significant case of growth by external lines in the Company's history, one must also note that both the activities traditionally carried out across the Group's preceding reference area, and the initial results of the efficiency improvement process currently under way in the newly acquired areas, contributed to the Group's overall result.

Positive contributions to these results, once again as regards EBITDA, came from all of the Group's four principle activities, in spite of a number of interventions regarding regulations and tariffs implemented in this period by the Regulatory Authorities.

The aforementioned results are due to the efforts of the entire structure, with special mention to the policies of cost containment implemented over the entire area managed.

In line with the projections of the five-year Plan currently in force, further enhancement activities were dedicated to Hera's presence in the Friuli Venezia Giulia region, with the positive results that we submit for your approval today. These operations contributed to confirming the Group's ability to maintain the continuity of its own growth, through the use of the various lines available: the share's performance fully reflected the positive effects of these operations, with an increment over the year of 34.6%.

The level of investments reached 314 million, substantially in line with the

projections contained in the Plan.

Due to the positive direction taken by these administrative phenomena, and the concurrent reduction in the level of debt, we are able to propose, once again, a dividend that is analogous to that of the preceding year, as foreseen by the Business Plan.

Our attention to service quality, which was once again positively evaluated by our customers, along with our efforts towards sustainability and our presence across the reference area, are fully confirmed by the Sustainability Report that we present to you today.

All of this represents an important confirmation, which is equally valid for our future commitment. We believe that this will be fully reflected in your evaluations, giving the Group the recognition that its history, dimensions and renown seem to deserve.”.

The Chairman then proceeded to discuss the first item on the agenda for the Extraordinary Part.

**1. Amendment of Article 16.1 of the Company's Articles of Association as modified by the Transitory Clause thereof: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

The Chairman pointed out that this proposal concerned the amendment of Article 16.1 of the Articles of Association, as previously amended by the Transitory Clause introduced by the resolution of the Shareholders' Meeting held on 15 October 2012, that foresaw a reduction of the number of members of the Board of Directors to 15, in order to allow this administrative body to function with greater efficiency and with a view to reducing and containing its operational costs.

The Chairman clarified that the aim of the aforementioned proposal was to reduce the number of Directors of Hera S.p.A. to 14, considering that in 2014 the integration of Aimag S.p.A. from Mirandola within HERA S.p.A. is not scheduled to be completed, and furthermore in order to carry out an additional streamlining of the Group's governance structure.

He also noted that in the eventuality that, following the approval of the aforementioned amendment of the Articles of Association, should the Merger Project for the integration of Amga - Azienda Multiservizi S.p.A. into Hera S.p.A. be approved, pursuant to article 2501 and following of the Italian Civil Code, as discussed in the third item of the agenda for the Extraordinary Part, Hera's Articles of Association, that will take effect as a consequence of the aforesaid Merger shall allow for the above-mentioned amendment.

Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

The floor was taken by shareholder Ballestrazzi Vittorio, who, after having noted that the reduction of the number of Directors from 15 to 14 is due to the fact that the merger of Aimag S.p.A. into HERA S.p.A. was not finalised, highlighted that the merger with Aimag is not approved by a portion of the shareholders, given that the company to be incorporated has produced excellent results in environmental issues (for example, door-to-door waste collection). HERA does not handle separate waste collection with a door-to-door weight-based system. He therefore expressed his intention to abstain from voting on this item on the agenda.

The Chairman took the floor, pointing out that the decrease in the number of members of the Board of Directors is linked to the fact that the Aimag operation was not completed during the year. All issues surrounding door-to-door waste collection will be evaluated by Aimag's managers; in any case, HERA uses this method of waste collection in various areas.

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the first item on the agenda for the Extraordinary Part:

"The Extraordinary Shareholders' Meeting of HERA S.p.A.:

- having heard the Chairman's report;

having examined and approved the explanatory report of the Board of Directors and the proposals made therein;

#### **resolves**

**(i)** to amend Article 16 of the Articles of Association as indicated below:

#### **"ARTICLE 16 BOARD OF DIRECTORS**

16.1 The Company shall be managed by a Board of Directors composed of 14 (fourteen) members, including non-shareholders, who shall remain in office for three financial years and whose term of office shall expire on the date of the Shareholders' Meeting called to approve the financial statements for the year in which their term of office expires; they shall be re-eligible for office and their term of office shall expire in accordance with the law.

The composition of the Board of Directors, as from the first renewal of the administrative body following the effective date and the acquisition of effectiveness of the provisions of Law n. 120 of 12 July 2011 and with reference to the first three consecutive mandates, must ensure compliance with the laws, and any applicable regulations, on gender balance.";

**(ii)** to grant the broadest possible mandate to the Chairman of the Board of Directors in giving effect to the resolution, by means of proxy where required, necessary or appropriate, including the power to:

- sign and publish any document, deed and/or declaration useful or appropriate for such purpose, in addition to any communication envisaged by the laws, and any applicable regulations;

- to act wherever required, necessary or appropriate to implement the aforementioned resolution in full, making any non-substantial changes that should be required by the competent authorities, including registration with the Companies Register".

#### Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the first item on the agenda for the Extraordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the first item of the agenda for the Extraordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix B)**:

having achieved the majority of two thirds of the share capital represented at the Meeting, as appears in the breakdown in the attached witnessing document, and with

979,050,951 votes in favour

0 votes against

160 abstentions

10,000 non-voters

**the proposal was declared approved.**

The Articles of Association, updated with the amendments concerning Article 16, will take effect on the date that the present resolution is registered with the appropriate Companies Register in compliance with Art. 2436 of the Italian Civil Code, and will be deposited at the Companies Register by the Administrative Body, represented by the Chairman, with the right to sub-delegate.

The Chairman noted that the discussion of the first item on the agenda for the Extraordinary Part was closed, and moved on to discuss the second item on the agenda for the Extraordinary Part.

**2. Amendment of Article 17.2 of the Company's Articles of Association, as modified by the Transitory Clause thereof: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

The Chairman clarified that, in line with the amendment of Article 16.1 of the Articles of Association, as approved in the previous item on the agenda, the Board of Directors of HERA S.p.A. proposed to the current Shareholders' Meeting the amendment of Article 17.2 of the Articles of Association, as previously

amended by the Transitory Clause introduced by the resolution of the Extraordinary Shareholders' Meeting of 15 October 2012 and later amended by the Extraordinary Shareholders' Meeting of 30 April 2013.

In particular, the above-mentioned Transitory Clause had modified, with the effective date of the Shareholders' Meeting held for the approval of the Financial Statement closed as of 31 December 2013, paragraph 16.1 of the Articles of Association, reducing the number of members of the Board of Directors to 15 with a further variation, effective as of the same date, of Article 17.2 with the reduction from 16 to 12 of the number of members of the Board of Directors taken from the list of candidates obtaining the highest number of votes and with the reduction from 4 to 3 of the number of remaining members taken from the minority lists.

The proposal for the amendment of Article 17.2, as modified by the Transitory Clause, concerns a further reduction from 12 to 11 of the number of members of the Board of Directors taken from the list of candidates obtaining the highest number of votes.

He also noted that in the eventuality that, following the approval of the aforementioned amendment of the Articles of Association, should the Merger Project for the integration of Amga - Azienda Multiservizi S.p.A. into Hera S.p.A. be approved, pursuant to article 2501 and following of the Italian Civil Code, as discussed in the third item of the agenda for the Extraordinary Part, Hera's Articles of Association, that will take effect as a consequence of the aforesaid Merger shall allow for the above-mentioned amendment.

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Since there were no such requests, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the second item on the agenda for the Extraordinary Part:

"The Extraordinary Shareholders' Meeting of HERA S.p.A.:

- having heard the Chairman's report;
- having examined the explanatory report of the Board of Directors and the proposals made therein;

#### **resolves**

(i) to amend Article 17.2 of the Articles of Association as indicated in the text included below:

#### **"ARTICLE 17 APPOINTMENT OF THE BOARD OF DIRECTORS**

17.1 The election of the members of the Board of Directors shall be based on lists in which the candidates are numbered consecutively, their number not being

greater in any event than that of the members to be elected.

Each list must contain a number of candidates belonging to the least represented gender that ensures the respect of gender balance at least to the minimum extent required by the laws, and any applicable regulations, in force. Those lists presenting less than 3 (three) candidates are exempted from respecting this obligation.

17.2 The appointment of the members of the Board of Directors shall take place as provided for below:

(i) from the list obtaining the greatest number of votes, 11 (eleven) members of the Board of Directors shall be taken based on the consecutive order in which they are listed, among whom at least 2 (two) belonging to the least represented gender, as of the first renewal of the administrative body following the effective date and the acquisition of effectiveness of the provisions of Law n. 120 of 12 July 2011, and among whom at least 4 (four) belonging to the least represented gender as from the two successive renewals;

(ii) for the appointment of the remaining 3 (three) members, the votes obtained by each of the lists other than the one referred to in paragraph (i), and which were not submitted or voted for by shareholders associated according to the pro-tempore regulations in force with the shareholders that submitted or voted for the list referred to in paragraph (i), shall be divided successively by one, two and three. The quotients thus obtained are assigned progressively to the candidates on each list, in the order provided for therein. The candidates are thus arranged in a single decreasing classification, according to the quotients assigned to each candidate. Candidates winning the largest quotients are elected up, to the remaining number of members to be elected, among whom at least 1 (one) belonging to the least represented gender. In the event of tied quotients between candidates from different lists, in electing the last member preference will be given to the one from the list that has obtained the greatest number of votes or, in the event of a further tie, to the candidate that is most senior in age, in compliance with the laws, and any applicable regulations, on gender balance.

In the event that the minimum number of directors belonging to the least represented gender should not be elected, the candidate belonging to the most represented gender found in the last position in the classification of candidates resulting elected from the most voted list will be substituted by the candidate of the least represented gender resulting first among the non-elected candidates of the same list, and so forth until the minimum number of directors belonging to the least represented gender is reached. In the event that, even after this criterion has been applied, the minimum number of directors belonging to the least represented gender has still not been reached, the indicated criterion of substitution shall be applied to the minority lists, beginning with the most voted one.

17.3 Lists must include at least two candidates possessing the independence requirements established for Statutory Auditors by Article 148, paragraph 3 of Legislative Decree 58/1998 and those provided for by the Code of Conduct prepared by the Borsa Italiana S.p.A Corporate Governance Committee.

17.4 Lists may be submitted by shareholders representing at least 1% of the shares with voting rights at Ordinary Shareholders' Meetings, or another percentage provided for by the laws in force and indicated in the notice of

meeting.

17.5 Lists must be filed with the registered office, on pain of forfeiture, at least twenty-five days prior to the Meeting and will be made available to the public at the registered office, on the Company's website and by all other means provided for by regulatory provisions at least twenty-one days prior to the Meeting.

17.6 Each shareholder may submit, or contribute to submitting, and vote for one single list. Support and votes cast in violation of that prohibition shall not be attributed to any list.

17.7 Together with the lists, the parties submitting them must file a description of the candidates' professional curricula, the candidates' irrevocable acceptance of the office (subject to their appointment), certification of the non-existence of grounds for ineligibility and/or forfeiture, as well as any declaration of meeting the independence requirements established for Statutory Auditors by Article 148, paragraph 3, of Legislative Decree 58/1998 and those provided for by the Code of Conduct prepared by the Borsa Italiana S.p.A Corporate Governance Committee. Lists for which the above provisions are not observed, or those that do not include candidates belonging to different genders in accordance with the provisions of Article 17.1 of the Articles of Association, shall be deemed not submitted.

17.8 No one may be a candidate on more than one list. The acceptance of candidacies on more than one list shall be grounds for ineligibility.

17.9 In the event that a candidate-elect cannot or does not intend to take office, he or she shall be subrogated by the first of the unelected candidates from the list to which that candidate belonged, in compliance with the laws, and any applicable regulations, in force concerning the principle of gender balance. In the event that a single list of candidates is submitted, the members of the Board of Directors shall be elected from within that list, once again in compliance with the laws, and any applicable regulations, in force concerning the principle of gender balance. For the election of directors not appointed for any reason under the above conditions, the Shareholders' Meeting shall resolve with the legal majorities, in compliance with the laws, and any applicable regulations, in force concerning the principle of gender balance.

17.10 If one or more directors appointed on the basis of list voting should leave office during the course of the financial year, their places will be filled by means of the co-opting, pursuant to Article 2386 of the Italian Civil Code, of the first unelected candidates from the list to which the departing directors belonged who have not yet been members of the Board of Directors, in compliance with the laws, and any applicable regulations, in force concerning the principle of gender balance. If, for any reason, no candidates are available, the Board will carry out the co-opting, again pursuant to Article 2386 of the Italian Civil Code, in compliance with the laws, and any applicable regulations, in force concerning the principle of gender balance. The directors thus appointed will remain in office until the next Shareholders' Meeting, which will deliberate in accordance with the procedures established for the appointment."

**(ii)** to grant the broadest possible mandate to the Chairman of the Board of Directors in giving effect to the resolution, by means of proxy where required, necessary or appropriate, including the power to:

- sign and publish any document, deed and/or declaration useful or appropriate for such purpose, in addition to any communication envisaged by the laws, and any applicable regulations;
- to act wherever required, necessary or appropriate to implement the aforementioned resolution in full, making any non-substantial changes that should be required by the competent authorities, including registration with the Companies Register".

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the second item on the agenda for the Extraordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the second item of the agenda for the Extraordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix C)**:

having achieved the approval of shareholders holding three quarters of the share capital represented at the Meeting, as it appears in the breakdown in the attached witnessing document, and with

979,088,381 votes in favour

0 votes against

159 abstentions

559 non-voters

**the proposal was declared approved.**

The Articles of Association, updated with the amendments concerning Article 17, will take effect on the date that the present resolution is registered with the Companies Register in compliance with Art. 2436 of the Italian Civil Code, and will be deposited at the Companies Register by the Administrative Body, represented by the Chairman, with the right to sub-delegate.

The Chairman then delivered the Articles of Association to me, updated to include the amendments of Articles 16 and 17.2 as presently approved, that were to take effect on the date in which the present resolution was registered with the Companies Register in compliance with Art. 2436 of the Italian Civil Code;

the above-mentioned Articles are attached to this document as **Appendix D**).

The Chairman furthermore clarified that the Transitory Clause had been eliminated from the Articles of Association attached as Appendix D), along with all references to it that had been foreseen.

The Chairman noted that the discussion of the second item on the agenda for the Extraordinary Part was closed, and moved on to discuss the third item on the agenda for the Extraordinary Part.

**3. Approval of the merger by incorporation of Amga - Azienda Multiservizi S.p.A. into Hera S.p.A., pursuant to Article 2501 and following of the Italian Civil Code, and consequent amendment of paragraph 5.1 of the Articles of Association: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

The Chairman recalled that the operation submitted for approval by today's Meeting provided for the merger into Hera S.p.A. ("**Merger**") of AMGA - Azienda Multiservizi S.p.A. ("**AMGA**"), the parent company of the AMGA Udine Group, partially held by the Municipality of Udine at 58.69%, that carries out direct and indirect management and development of public utility services in the areas covered by the Municipality of Udine and the Province of Udine.

Between September 2013 and January 2014 Hera and AMGA initiated a process aimed at defining an industrial integration, that was formalised on 23 January 2014 when AMGA and Hera underwrote a framework agreement (the "**Framework Agreement**") that outlines the main conditions of the aggregation and regulates the various requirements and the conditions necessary to achieve business integration between the groups that refer to the two companies. The Municipality of Udine has also participated in this process, acting as the reference shareholder of AMGA.

Therefore, coming to the reasons for the aggregation between the two groups, he underlined that this operation responds to a business rationale whose most relevant features are the following: (1) pursuing growth coherent with the trajectory followed thus far, enhancing the presence established in the Friuli Venezia Giulia region, with the possibility of rapid industrial integration thanks to the numerous organisational and operational similarities between many aspects of the area covered by Acegas-APS S.p.A. (hereinafter "**AcegasAPS**") and the commercial dimensions of HERA Comm; (2) integrating the industrial skills and and management developed by AMGA in gas distribution with the HERA Group's activities in the Veneto and Friuli Venezia Giulia regions; (3) achieving a strong scale and industrial complementarity in the energy sector, reinforcing the Hera Group's competitive position above all in the gas sector and enhancing AMGA's customer base through the implementation of dual-fuel and cross-selling strategies, and sharing HERA's know-how and up-stream strategy.

The strategic value of these aspects of the operation is matched by a series of elements that are highly interesting for Hera's shareholders as well, who will benefit from: (i) a higher level of liquid assets expected for Hera's stocks, resulting from the entry of significant third party shareholders into the pool of shareholders, (ii) a higher level of revenue generation, in terms of earnings per share, calculated on the basis of the most recent annual balances, (iii) maintaining the majority of Hera's share capital in the hands of public

shareholders, given that AMGA's shareholder pool is prevalently composed of public capital, and (iv) reinforcing governance and enhancing the equity investment that HERA already holds in AMGA. Following the recent acquisition of Est Reti Elettriche, the HERA Group in fact detains a share capital in AMGA equal to approximately 6.68%, making it the third largest shareholder.

The new entity that will emerge from the aggregation operation will therefore have, taking 2013 data as a reference point, the following main operational data:

- approximately 1.65 million end-user delivery points (PDR) for gas distribution in Italy;
- approximately 9 thousand end-user delivery points (PDR) for gas distribution in Bulgaria;
- over 1.3 million clients in gas sales;
- over 0.7 million clients in electricity sales;
- over 470 thousand lighting points in public illumination.

Development strategies, in common with AMGA's management and in line with the HERA Group's strategic guidelines, will be oriented towards:

- geographically consolidating the regulated gas distribution business, both in terms of costs and operational models, in order to create the conditions for success during the phase of the shortly upcoming tenders for the renewal of contracts in the most relevant areas currently covered;
- continuing to pursue development in the commercial energy sector, enhancing the customer base and opportunities in the currently covered and nearby areas, in a rationale of both cross selling and a new penetration of the dual-fuel offer, reinforcing upstream integration as well, within a context in which the scale of "minimum efficiency" is constantly rising and both commercial prospects and upstream are experimenting with new business models related to the centrality of the client, partnership networks and advanced management of commodities positions and risks;
- appealing to innovation and efficiency in the evolution of operational assets and perceived quality, making the most of the company's best practices regarding both the asset base managed and customers. In this outlook, the most important approaches and models will be those that allow for (i) integrated resource management, (ii) standard operating procedures for plant construction, (iii) the most advanced technological solutions;
- reinforcing the orientation towards sustainability, with initiatives intended to reduce the impact on the environment, allow stakeholder relations to evolve, and encourage a balanced use of the area's resources;
- consolidating asset and financial balance, thus creating an effective platform for development.

Within the scope of the integration plan, following the Merger Hera is expected to begin: (i) transferring to Hera Comm S.r.l. ("**Hera Comm**") its equity investment held in AMGA Calore & Impianti S.r.l. ("**AMGA Calore**") and its equity investment held in AMGA Energia & Servizi S.r.l. ("**AMGA Energia**"); (ii) transferring to Acegas-Aps S.p.A. ("**AcegasAPS**") the sum of the assets held by AMGA for the purposes of its own business activities and the equity investments held respectively in Black Sea Technology Company Group, Black Sea Company for Gas Compressed Ltd, Energo d.o.o. and Carniacque S.p.A. ("**Transferrals to AcegasAPS**").

He furthermore specified that, following Transferrals to AcegasAPS, a "Gas Distribution" department will be established, located in Udine, that will serve to coordinate and oversee all of the Hera Group's activities in the "Gas Distribution" sector in the Friuli Venezia Giulia and Veneto regions. Furthermore, AMGA Calore will maintain its legal autonomy, its corporate name and registered offices in Udine, and will become the corporate vehicle through which the Hera Group develops its activities in domestic and industrial co-generation, district heating, energy efficiency and renewable thermal and electrical energies in the Friuli Venezia Giulia region. AMGA Energia will maintain its legal autonomy, its corporate name and its registered offices in Udine until 31 December 2016.

He specified that the Merger operation is subject to the following agreements, that must be underwritten by Hera and the Municipality of Udine by and no later than the deadline of 24 (twenty-fourth) June 2014 (two thousand and fourteen):

a) an agreement intended to regulate, inter alia, the prospects of industrially developing the operations of AMGA as well as those of the companies comprising the AMGA Group;

b) an agreement concerning (i) the governance of AcegasAPS, i.e. the right of the Municipality of Udine to be represented in AcegasAPS's Board of Directors, via the designation of one director and a modification of AcegasAPS's corporate name, which will become "ACEGAS-APS-AMGA S.p.A." and/or its acronym; (ii) the Municipality of Udine's subscription, on the occasion of the renewal foreseen with an effective date beginning from 1 January 2015, to the shareholders' pact stipulated on 21 December 2011 between 98 of Hera's public shareholders ("**Hera Pact**") regarding the modalities of exercising voting rights and the transfer of shares held in Hera by the adhering parties, to which additional shareholders of the Company have adhered over time, effective as of the date of the present Report between 124 public shareholders of Hera; and (iii) a lock-up commitment concerning 37,343,661 newly issued Hera ordinary shares that will be held by the Municipality of Udine as a result of the Merger; this commitment will be made by the Municipality of Udine as of the date in which the Hera shares are transferred to said Municipality according to the exchange concerning the Merger and until the Municipality itself adheres to the shareholders' agreement described in the preceding point ii) at the date of its renewal. In the eventuality that the Municipality of Udine fails to adhere to the Hera Pact, the lock-up commitments will be taken on by the Municipality of Udine for a period of 3 years with effect from the date in which the Hera shares are allotted.

He also informed those present that a further condition precedent to the implementation of the Merger had been met, with the attainment, respectively on the 12 and 17 March 2014, of the authorisation to proceed with the operation granted by the Guarantor for Market Competition for Italy and Bulgaria.

He also noted that the amendment of Articles 16.1 and 17.2 of the Articles of Association, approved earlier during the present Meeting, constitute an intervention that modifies, pursuant to the second paragraph of Article 2502 of the Italian Civil Code, of the Articles attached to the Merger Plan.

As regards the exchange ratio, he added that the Board of Directors had chosen homogeneous evaluation criteria that were held to be coherent with the aims of the analysis, in order to express comparable values.

At the outcome of this evaluation, the exchange ratio was set at 572 (five

hundred seventy-two) HERA ordinary shares with a nominal value of Euro 1.00 (one point zero zero) for every AMGA share with a nominal value of Euro 500.00 (five hundred point zero zero), with no balance payments foreseen.

In view of the implementation of the Merger, the Shareholders' Meeting is therefore asked to resolve upon an increase in the share capital divided in tranches with exclusion of purchasing option, to a maximum amount of Euro 68,196,128.00 (sixty-eight million one hundred ninety-six thousand one hundred twenty-eight point zero zero), upon the annulment of the 8,788 (eight thousand seven hundred eighty-eight) AMGA shares held by HERA and of the 3,462 (three thousand four hundred sixty-two) treasury shares held by AMGA. Thereafter, Hera will issue shares up to a maximum of 68,196,128 (sixty-eight million, one hundred ninety six thousand one hundred twenty-eight) new ordinary shares with a nominal value of Euro 1.00 (one point zero zero) each, traded on the Milan Stock Exchange organised and managed by Borsa Italiana S.p.A., which will be allocated to AMGA shareholders in proportion to the current investment held by each of them in the share capital of this company. At the conclusion of the Merger, HERA's new share capital will therefore be represented by a maximum of 1,489,538,745 (one billion four hundred eighty-nine million five hundred thirty-eight thousand seven hundred forty-five) ordinary shares with a nominal value of Euro 1 (one) each. The dimensions of the above-mentioned HERA share capital increase for the interests of the share swap will only be fully defined at the conclusion of the procedure for exerting the right of withdrawal that is entitled to AMGA Shareholders that do not participate in undertaking the resolution for approval of the Merger.

He also noted that on 19 March 2014 the auditing company Axis S.r.l., entrusted by the Court of Bologna upon joint request by HERA and AMGA, issued a report concerning the adequacy of the exchange ratio pursuant to Article 2501-sexies of the Italian Civil Code.

He clarified, lastly, that for statutory purposes the aforementioned Merger will be effective as of 1 (first) July 2014 (two thousand fourteen), while the for accounting and tax purposes its effects will be backdated to 1 (first) January 2014 (two thousand fourteen).

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi Vittorio took the floor, and pointed out that HERA has become a private Company, losing its status as a publicly held Company, and is now concentrated on the pursuit of profit. He also reminded those present that the Company manages public goods, and stated that outside of the conference hall there was a group of demonstrators that had delivered a letter to be read during the Meeting concerning the plan to build a power station in Saline Ioniche.

The Chairman took the floor, stating that the letter was not pertinent to the

agenda and asking shareholder Ballestrazzi to briefly summarise it.

Shareholder Ballestrazzi asked the shareholders to evaluate whether or not HERA's intervention in the coal-burning power plant in Saline Ioniche is compatible with the the energy policies pursued by the Group; due to the pollution produced by this plant, none of the Municipalities in the area want it within their own boundaries. The investment is moreover at a loss. Repower, the largest shareholder, will soon leave the group of shareholders as called for by a recent Swiss referendum.

The Chairman took the floor, insisting that the information provided by shareholder Ballestrazzi was not correct: the project is part of a strategy of mixed energy sources; given that it is still a project, it cannot have brought about any loss in the balance sheets. The authorisation process for the project reached a positive conclusion roughly one year ago when a Decree was signed by the Monti government. In any case, if new elements appear, they will be communicated to shareholders as part of the updating of the annual Business Plan.

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the third item on the agenda for the Extraordinary Part:

"The Extraordinary Shareholders' Meeting of HERA S.p.A.:

- having examined and approved the Board of Director's Explanatory Report drafted pursuant to Article 2501-quinquies of the Italian Civil Code and Article 125-ter of Legislative Decree 58/1998 and Article 70 of Consob Regulation no. 11971/1999 and subsequent modifications and relevant attachments;
- having examined and discussed the Merger Plan;
- having taken note that the Merger Plan was approved by the Hera S.p.A. and AMGA - Azienda Multiservizi S.p.A. Boards of Directors in their meeting on 23 January 2014;
- having taken note of the execution, on 24 January 2014, of the formal procedures for depositing the Merger Plan with the Bologna Register of Companies and thereby the registration of it on 27 January and, of the corresponding registration that took place at the relevant Register of Companies on the same date for AMGA - Azienda Multiservizi S.p.A.;
- having examined the financial situation and economic data of the Merging Company Hera S.p.A. and the Merged Company AMGA - AZIENDA MULTISERVIZI S.p.A., all as of 30 September 2013;
- having taken note of the report regarding the adequacy of the exchange ratio drafted by AXIS S.r.l., on 19 March 2014, acting as a common expert designated pursuant to Article 2501-sexies of the Italian Civil Code by the Court of Bologna;
- having taken note that the records mentioned by Article 2501-septies of the Italian Civil Code were deposited at the registered offices of Hera S.p.A. and AMGA - AZIENDA MULTISERVIZI S.p.A. and published on the Company's website;
- considering the amendment of Articles 16.1 and 17.2 of the Articles of Association of Hera S.p.A. resolved by today's Meeting

**resolves**

(i) to amend, pursuant to Article 2502 paragraph 2 of the Italian Civil Code, the Articles of Association attached to the Merger Plan in order to incorporate the amendments made to Articles 16.1 and 17.2 of the Articles of Association of Hera S.p.A., and to approve the merger-by-incorporation plan of AMGA - Azienda Multiservizi S.p.A. into Hera S.p.A., as registered with the relevant Offices of the Register of Companies, according to the conditions and modalities outlined in the Merger Plan, including:

- with cancellation of all the shares representing the entire share capital of AMGA - Azienda Multiservizi S.p.A. and assignment to the respective holders of Hera S.p.A. shares according to the exchange ratio established in the Merger Plan;

- with cancellation without share swap of the 3,462 AMGA shares held by AMGA itself;

- with cancellation without share swap of the 8,788 AMGA shares held directly or indirectly by HERA, pursuant to Article 2504-ter of the Italian Civil Code; and

- with the resultant increase of the share capital of Hera SpA, in tranches, from the current amount of Euro 1,421,342,617 to a maximum nominal amount of Euro 1,489,538,745 by issuing a maximum of 68,196,128 ordinary shares with a nominal value of 1.00 Euro each, to be exclusively reserved to the service of the exchange associated with the Merger, with the exclusion of the subscription rights of the Hera SpA shareholders;

- with adoption, as of the effective date of the Merger, of the amendments of paragraph 5.1 of the Articles of Association in the text shown:

**"ART. 5 SHARE CAPITAL**

5.1 The share capital is Euro 1,489,538,745 (one billion four hundred eighty-nine million, five hundred thirty-eight thousand, seven hundred forty-five) represented by 1,489,538,745 (one billion four hundred eighty-nine million, five hundred thirty-eight thousand, seven hundred forty-five) shares with a nominal value of 1 (one) Euro each. The shares are freely transferable.

5.2 It will be possible for it to be increased at any time, including by way of credit and natural asset provision, by resolution of the Shareholders' Meeting, and including issuing shares bearing different rights than those born by shares already issued.

5.3 In the event of an increase in share capital, subscription privileges for the newly issued shares will be reserved to those having such rights, proportionately to the number of shares owned, apart from exceptions provided for by the law.";

(ii) to acknowledge that AMGA shareholders who did not participate in the deliberations concerning the Merger will be entitled to withdraw pursuant to and by effect of Article 2437, paragraph 1, letter a) of the Italian Civil Code, provided that the said withdrawal will at any rate gain effectiveness subject to the completion of the Merger;

(iii) to grant the broadest possible mandate to the Chairman of the Board of Directors to give effect to the resolution, even by means of proxy where required, necessary or appropriate, including the power to:

- stipulate and sign the public deed of Merger, establishing every clause and component, thereby including also the date of effectiveness, according to the provisions of the Merger Plan, as well as the exact quantity of share capital in its final amount, following the share swap;

- stipulate and sign any possible acknowledgment, integration and/or adjustment deeds, defining all clauses, terms and methods in accordance with the Merger Plan, consenting to the transfer of ownership and any business area, thereby including real estate and movable assets registered in public records, public and private securities, rights, security deposits, licenses, concessions, credits held with the State and other public entities;
- take note, in the context of the completion of the Merger, of the new Articles of Association following the Merger, one of the aims being taking steps to deposit the required documentation with the Register of Companies;
- comply with all formalities required for the adopted resolutions to be listed in the Register of Companies, in particular with the authority to communicate the amount of share capital servicing the Merger and to effect possible modifications, deletions and/or additions to these resolutions which might be required at the time of registration, provided they are not substantial."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the third item on the agenda for the Extraordinary Part.

Holder of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the third item of the agenda for the Extraordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix E**):

having achieved the majority of two thirds of the share capital represented at the Meeting, as appears in the breakdown in the attached witnessing document, and with

980,326,298 votes in favour

54 votes against

105 abstentions

500 non-voters

**the proposal was declared approved.**

The Chairman then:

- consigned the Merger Plan as approved during the current Meeting to me, the

plan having been registered for Hera at the Bologna Register of Companies on 27 January 2014, protocol number 5155/2014, and for AMGA at the Udine Register of Companies on 27 January 2014, protocol number 2832/2014, the plan along with its attachment being attached hereto as **appendix F)**, noting that, as an effect of the approval of the new Hera S.p.A. Articles of Association, the company that will emerge from the Merger, following the effective date of the Merger itself, will be regulated by the text of Articles of Association attached hereto as **appendix G)**;

- consigned the relation concerning the adequacy of the exchange ratio, drafted by the company "AXIS S.R.L." with register office in Reggio Emilia (RE), via Giovanni Gutenberg n. 3, tax code and registration number with the Reggio Emilia Register of Companies 01277220354, register at the Registry of Legal Revisers at n. 77125 as published in the Gazzetta Ufficiale della Repubblica Italiana n. 45 on 8 June 1999 by order dated 27 January 2014, acting as a common expert and charged with drafting, pursuant to Article 2501-sexies of the Italian Civil Code, the report on the adequacy of the exchange ratio, the Report being attached hereto as **appendix H)**;

the Chairman declared to me that these documents had been registered according to the law.

The Articles of Association, updated with the amendment regarding the amount of share capital following the effective date of the Merger, will be deposited by the Administrative Body, represented by the Chairman, with the right to sub-delegate, at the Register of Companies within thirty days of the said effective date.

The Chairman asked me to take note that, with respect to the Merger Plan. all of the documentation referred to in Article 2501-septies of the Italian Civil Code has been deposited pursuant to the law and that, as an effect of Article 2502-bis of the Italian Civil Code, together with the present minutes and attached documents, the documents indicated in Article 2501-septies of the Italian Civil Code will be deposited at the Bologna Register of Companies, noting that the financial statements relative to the last three fiscal years have already been deposited at the Register of Companies with the protocol numbers indicated below:

- "**HERA S.p.A.**" deposited its financial statements at the Bologna Register of Companies with the following protocol numbers:

\* for the financial year ending 31 December 2012, protocol number 35263/2013, on 14 May 2013;

\* for the financial year ending 31 December 2011, protocol number 27733/2012, on 16 May 2012;

\* for the financial year ending 31 December 2010, protocol number 24632/2011, on 9 May 2011;

- "**AMGA - AZIENDA MULTISERVIZI S.P.A.**" deposited its financial statements at the Udine Register of Companies with the following protocol numbers:

\* for the financial year ending 31 December 2012, protocol number 38849/2013, on 29 July 2013;

\* for the financial year ending 31 December 2011, protocol number 21078/2012, on 5 July 2012;

\* for the financial year ending 31 December 2010, protocol number 23559/2011, on 1 August 2011.

The Chairman noted that the discussion of the third item on the agenda for the Extraordinary Part was closed, and moved on to discuss the first item on the agenda for the Ordinary Part.

**1. Financial statement as at 31 December 2013, Directors' Report, profit allotment proposal and Board of Statutory Auditors report: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Directors' Report prepared by the Board of Directors and the reports prepared by the Board of Statutory Auditors and the Independent Auditors concerning both the consolidated and the separate financial statements, the texts of which could be found in the files containing the financial statement documents included in the folders distributed at reception.

This choice allowed additional time for debate and discussion of topics requiring more in-depth treatment.

The floor was then given to the CEO, to outline the Group's performance in 2013. CEO Maurizio Chiarini proceeded to inform the attendees as to the Hera Group's performance, concentrating on the most relevant aspects of the 2013 financial year and commenting on the information contained in the diagrams that were simultaneously projected onto the screens behind him, printouts of which are attached to this document as **Appendix I**).

The Chairman took the floor again.

In reference to the 18 April 1996 CONSOB notice, he clarified that, in conducting the audit and certification of the separate and consolidated financial statements for the 2013 financial year, Pricewaterhousecoopers S.p.A spent 3,010 (three thousand and ten) hours and was compensated with Euro 160,770 (one hundred sixty thousand seven hundred seventy).

Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

The floor was taken by shareholder Rodinò Demetrio, who drew attention to the fact that in 2013 as well, in spite of the prevailing negative economic situation, the HERA Group had reached amply positive results and had taken steps towards an overall greater efficiency. He put forward a few questions, concerning:

1. the recent Memorandum of Understanding with Iren;
2. obtaining funds from the EIB;
3. investments in Azerbaijan;
4. other future aggregations.

Caradonna Gianfranco Maria then took the floor, speaking both as a shareholder and as a journalist. He expressed his approval of the CEO's report. Without lingering the results, that had already been amply illustrated, he expressed his appreciation for the dividend that had remained unchanged in spite of the

increase in the number of shares. He also expressed his appreciation for the video available on Hera's website in which the Chairman can be seen illustrating the Group's results. He asked if research had been carried out on a more extensive use of Bonds, and to what degree, given that this is a favourable period to use them. He furthermore asked about other information found on the HERA website, and how customers that had received the new bills reacted to them. Lastly, he asked if HERA had any data on the general trends of the Italian economy concerning, for example, the quantity of waste disposed of or the number of interconnections.

Shareholder Nannetti Enrico took the floor, expressing his approval of the activities carried out by the Group, above all as regards environmental issues such as the biological mechanical treatment used alongside, and eventually substituting, waste-to-energy plants. He proposed that only half of the dividends be paid this year, reserving the other half for investments.

As regards the area covered, he believes that it has already reached an optimal dimension, and that the Group's efforts could therefore be concentrated on integrating municipal services. Lastly, as a small shareholder, he specified that the direction in which the Company was heading was more interesting than an increase in dividends, and hoped that the remuneration given was in line with that of other public companies. He thanked the Directors for their considerable efforts.

Tani Bruno then took the floor, who, notwithstanding his status as a member of the Board, spoke as a shareholder. He stated that he had been working in the utilities sector for approximately thirty years and that his experience allowed him to express an even greater appreciation of the excellent performance of Hera's top management, with particular emphasis on the outgoing CEO Maurizio Chiarini. He underlined the progress made by HERA since its foundation, gradually overcoming the old system of municipal companies, now definitively substituted by a Company that no longer contains the least element of parochialism, due to the courage shown by the Mayors that conceived, defended and pursued this process. He believes today that any desire to return to the past, that is, to the old system of municipal management, is dangerous, because it would imply a return to forms of local control that would be detrimental to the overall efficiency of the services now provided by HERA.

Shareholder Ballestrazzi took the floor and noted that HERA is a shareholder of Tirreno Power that, alone, was responsible for a loss of eight million euros, and whose top management had been indicted for environmental damage and health issues related to the Vado Ligure power station. He maintained that his appeared to be the only dissenting voice: HERA should manage public goods and not pursue profit, and he is amazed that profit motivates a Foundation whose true aim should be public utility. He believes that it is not true that politics plays no role in HERA, given that, according to him, intercessions still exist. He believes that waste and water management is a public good. He declares that he is completely against assigning public illumination and the Modena incinerator to HERA. He stressed that in some localities such as Treviso separate waste collection with a weight-based system has reach 85%, a percentage that is much higher than the 50% reached by HERA, that does not want to improve because it must keep its incinerators active. He points out that the percentages published by HERA concerning organic waste collection are not true, because these waste

bins contain heterogeneous materials and therefore, without a weight-based system this data cannot reflect reality.

Shareholder Bove Katrin took the floor and noted that in a year dominated by the general crisis HERA had succeeded in going against the current. He declared that he was proud of the results reached by the Company, and appreciated the amount of dividends. He put forward a few questions:

1. if it is possible to foresee the Group's performance in 2014;
2. if initiatives that would give HERA an international scope could be carried out.

Shareholder Landi Andrea took the floor, representing the Fondazione Cassa di Risparmio di Modena, and noted the unique nature of his category of shareholders, who could look towards the Group's capability, above and beyond stock market trends, to enhance its own financial situation. He underlined his full approval of the policies pursued by the Group as regards investments and other areas. He also underlined that HERA had accelerated its growth process with corporate integration operations. The Company's current results imply that the work done by its Management be fully appreciated. HERA, within a context in which the rules are frequently changed and the industrial rationale is becoming more and more competitive, has succeeded in interpreting these changes.

Shareholder Manca Daniele then took the floor, who in the light of the results presented at the end of a highly significant three-year period thanked the entire outgoing Board, the Chairman and the CEO, who had succeeded in making HERA a relevant national leader. He also emphasised the positive work done by the human resources that allowed this success to come about. HERA is a group that has created employment, doubling its number of workers since 2002: today HERA employs 8,400 people, in addition to the 5,000 employed in satellite activities, even in a difficult economic context. HERA represents an important experience, in that the various local Administrations have been able to overcome their particularism. Any attempt to return to smaller dimensions is pure ideology/demagogy and must be firmly rejected. He also noted that since 2002 more than 4 billion euros of investments have been carried out over the reference area, thanks to a Company such as Hera. He also withholds that the sizeable dividends distributed by the Company are important in financing services for citizens. The high quality of the services carried out by HERA, demonstrated by its positive customer evaluations, along with the Company's presence across the reference area (with over 100 service counters), fully show that the Group presents a winning model.

Shareholder Reale Davide Giorgio took the floor and, with respect to dividends and listings, reminded those present that in 2012 the stock was listed at 1 euro per share, while today it is listed at over 2 euros. He believes that HERA's performance is an example of the Aristotelian principle "in medio stat virtus", giving the correct consideration to both the reference area and the shareholders. He then put forward a few questions on the following issues:

1. as regards the Group, he asked for information concerning the decrease in volumes of gas trading and sales;
2. regarding the extraordinary profits, he asked if it was a question of financial data or if there had been any sales;
3. he inquired as to the Group's orientation towards debt;
4. he asked for clarifications as to the new tariff scheme for the integrated

water cycle;

5. as regards the Business Plan, he asked whether it was to be updated during the 2014 financial year;

6. as regards tenders for gas distribution, he asked whether the objective of competing over the entire area served was not overly ambitious.

Shareholder Pighi Giorgio then took the floor and thanked the outgoing Board of Directors, the Chairman and the CEO for their work. He added that the present intervention was to be his last acting as HSST Modena's legal representative, having reached the end of his second mandate. He noted that the Modena company Meta S.p.A. had been integrated into HERA and thus reached a broader scale without sacrificing its roots in its own territory. Today, four management alternatives exist: (i) participating in a multi-utility, (ii) maintaining companies with very small dimensions, (iii) opting for an entirely public management, (iv) opting for an entirely private management. Only in the first solution could he recognise a reformist stance that has the courage to confront the results reached every day, leaving overly simple ideological positions behind, in the conviction that it is precisely the presence of public capital that reinforces the tension towards the economic performance reached by HERA and that has allowed the public bodies holding shares in HERA to be counted among national leaders in classifications of service levels. If another of the above-mentioned options was to be chosen, it is doubtful that these objectives could be reached. He also underlined the sensibility shown by HERA towards Aimag in the difficult moment following the events surrounding the earthquake.

The Chairman replied, expressing his appreciation for today's ample debate that allowed a general approval of HERA's model to emerge. He limited himself to providing a few selected responses:

1. the agreement with Iren is limited to research in water services;

2. in the past, EBI funds have always been used by HERA;

3. the investments in Azerbaijan are part of a rationale of diversified energy sources;

4. HERA's strategy of expansion has been communicated within the Business Plan; today, following the same rationale, the Government itself has included within the points on its program a reduction of the over 8,000 municipalised companies to approximately 1,000. HERA's expansion strategy, declared in the Business Plan, involves carrying out full integration industrial operations;

5. as regards the number of participated companies, he believes that the reduction implemented is exemplary, and has been pursued since the first day with no indulgence towards the so-called "arm-chair administrators". The reduction has involved over 185 companies;

6. as regards dividend policies, he specified that their stability is foreseen in the Business Plan through to 2017. He expressed his thanks for the general appreciation of both the website and debt management;

7. as regards the new bills, which have met with positive reactions, which are also due to the fact that customers were involved in the way they were planned, he specified that they will be put into practice in May;

8. concerning consumption forecasts, he confirmed that the construction sector is in a phase of stasis; he underlined that as concerns special waste, growth was recorded in 2013 and will continue in 2014. As regards gas, a decrease in consumption has been recorded, due among other things to climate changes;

9. as regards exporting the Company's know-how abroad, he specified that this is already carried out in the engineering sector, and investments are not foreseen;  
10. as regards Tirreno Power, he reminded those present that this is one of Enel's disused plants; HERA holds 5% of it and has always been prudent as regards the entire issue of electricity generation. HERA has never managed Tirreno Power. He strongly rejects any allusion made by shareholder to "trickery in paperwork": the entire waste cycle is certified. Certain affirmations must be proved, and in this case, if proof exists, it must be taken to the responsible parties; if this is not the case, one must refrain from making any kind of allusion;

11. the Company is balanced between the free market and regulation, between its roots in its own territory and expansion, and the results obtained testify to this. As far as gas tenders are concerned, HERA's objective is to be confirmed in those areas in which the Group is already present, and where it manages the largest number of customers;

12. he concluded by stressing his full agreement with the Chairman of the Board of Statutory Auditors.

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the first item on the agenda for the Ordinary Part:

"The Ordinary Shareholders' Meeting of HERA S.p.A.:

- having acknowledged the report prepared by the Board of Directors regarding management;
- having acknowledged the report prepared by the Board of Statutory Auditors;
- having acknowledged the report prepared by the Independent Auditors;
- having examined the financial statement as at 31 December 2013, that ends with a profit of Euro 143,647,034.30 (one hundred forty three million six hundred forty seven thousand and thirty four Euro and thirty cents);

#### **resolves**

**a)** to approve the financial statement of Hera S.p.A. as at 31 December 2013 and the Report on management drafted by the Board of Directors;

**b)** to allocate the profit from 1 January 2013 - 31 December 2013, which is equal to Euro 143,647,034.30 as follows:

- Euro 7,182,351.72 to the legal reserve,
- Euro 127,920,835.53 in dividends to the shareholders, equal to 0.09 Euro per share, setting aside as an extraordinary reserve the greatest dividend distributable to possible treasury shares in portfolio at the date of payment;
- Euro 8,543,847.05 to the extraordinary reserve;

**c)** to pay out the dividend beginning 5 June 2014 with the separation of the coupon n. 12 on 2 June 2014, which will be paid to shares on the date of 4 June 2014, pursuant to Article 83-terdecies TUF."

#### Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the first item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the first item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix L**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

1,045,205,574 votes in favour

557,457 votes against

1,582 abstentions

0 non-voters

#### **the proposal was declared approved.**

The approved financial statement was attached to these minutes as Appendix M).

The Chairman noted that the discussion of the first item on the agenda for the Ordinary Part was closed, and moved on to discuss the second item on the agenda for the Ordinary Part.

## **2. Presentation of the corporate governance report and resolutions concerning remuneration policies.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

In relation to the Report concerning remuneration policies, the Chairman briefly reminded attendees that the fundamental principle underlying the Group's business culture and guiding its choices was a commitment to combining economic and social values with the ultimate objective of satisfying the legitimate expectations of all stakeholders.

The remuneration policy was understood as a factor that contributed to improving the Company's performance and to creating value in the medium-long term.

The Board of Directors, supported by the Remuneration Committee, developed the Remuneration Policy adopted by the Hera Group for 2013 in keeping with the recommendations outlined in Article 6 of the Borsa Italiana S.p.A. Code of Conduct.

The report on remuneration, prepared according to the requirements of Article

123-ter of Legislative Decree 58/1998 (TUF), displayed the principles and essential characteristics of the above-mentioned policy in relation to the compensation offered to the group's senior figures, and in particular the components of the administrative and management organs that held strategic responsibility within the Group, or more specifically the General Manager of Operations and the General Manager of Development and Markets.

He reminded attendees that, in accordance with the above-mentioned Article 123-ter of Legislative Decree 58/1998 (TUF), the resolution that would be reached in the current meeting regarding the first Section of the Report was not binding.

The company defined and applied a General Policy on Remuneration aimed at attracting, motivating and retaining those human resources possessing the professional skills required to profitably pursue the Group's objectives.

The Policy was defined in such a way as to align the interests of Management with those of the shareholders, pursuing the primary objective of creating sustainable value in the medium-long term by consolidating the correlation between compensation and performance, both individual and of the Group as a whole.

The Shareholders' Meeting determined the level of compensation for the Board of Directors.

The Board of Directors in turn determined, in accordance with Article 2389 of the Italian Civil Code, the remuneration owed to the administrators holding particular positions.

The CEO proposed the policies to be applied to the Group's directors to the Remuneration Committee, which assessed these recommendations and presented the policies to the Board of Directors.

The Remuneration Committee periodically evaluated the adequacy, overall consistency and implementation of the general policy governing the remuneration of executive administrators and Chief Operating Officers.

The guidelines adopted in the remuneration policy for top management were as follows:

- ongoing monitoring of external markets, including the core sector, in order to verify the coherence of the company's wage scale, in view of both the retention of managers and cost avoidance;
- ensuring an internal consistency between the level of the wages offered and the complexity of the position held;
- using and constantly updating the methodology used to assess positions, with the aim of ensuring that remunerative comparisons and analysis were homogeneous and consistent with the evolution of the Group's organizational structure over time.

The main components of remuneration within Hera are currently as follows:

1. Fixed remuneration, usually determined by the professional specialization and the organizational role held, along with its associated responsibilities. It therefore reflects technical, professional and managerial competencies.

The level of remuneration is determined according to a system in which the positions are weighted in comparison with the market. Generally speaking, the wage scale is located in the mid-low bracket of the market (first quartile/median). Changes in individual remuneration were based on these market-based reference points together with an assessment of the individual's performance.

2. Short term variable remuneration - the Balanced Scorecard (BSC) system was applied to top corporate positions as well as all the Directors and Managers of Hera S.p.A. and the Group's subsidiary companies.

The system of short-term incentivization involves assigning an individual Balanced Scorecard (BSC) score to each of the recipients, including a series of pre-set objectives which are associated with specific performance indicators.

For each objective, an expected result (target) is defined and the amount of the bonus to be paid is determined on the basis of the attainment of the objectives actually attained, and the specific weight of each individual objective.

The outcome of the assessment carried out using the above-mentioned individual Balanced Scorecard system is considered in relation to corporate achievements, taking into account the Group's performance in relation to four specific parameters: EBITDA, Net result, Net financial position (NFP) and Customer Satisfaction Index (CSI).

Hera has chosen not to proceed with assigning highly volatile financial tools such as, for example, subscription privileges or other similar tools.

It should be noted that, in keeping with a policy of remunerative benchmarking that maintains a prudent stance with respect to market evolutions, the trends in remunerating Hera S.p.A. administrators and management have been located below both the remuneration levels of other similar companies and the average rates for Italy's top one hundred listed companies by level of capital.

During the approximately ten years that have passed since the establishment of the Hera Group (2002) the results achieved have consistently grown, the EBITDA having more than tripled over the years (from Euro 192 million in 2002 to over Euro 830 million in 2013).

Given the particular sensitivity of the issue of remuneration policies in the historical moment in question, it was noted that for over six years, that is, since the beginning of the crisis, there had not been any corrections in the fixed remuneration offered to corporate heads and that not only had the market conditions been duly taken into account, but the organs in charge also made choices aimed at combining the objective of sobriety with the requirements arising from the need to ensure that the company continued to operate effectively with respect its existing contracts. Citing only a few of the measures taken in relation to this aim, he noted:

- the significant reduction made over the years in the number of Boards of Directors in the subsidiary companies (more than 180 units) and the subsequent fact that the role of director in the subsidiary companies was covered solely by Hera S.p.A. directors, reminding attendees that these latter provided such services free of charge;

- the reduction in compensation, as of 2011, for the Holding directors and the Vice Chairman;

- the reduction as of 2013 of the variable component of the executive administrators from 40% to 30% of the total gross fixed remuneration foreseen with 100% of the objectives reached, with reference to both the 2012 financial year with final balance calculated in 2013, and the 2013 financial year with final balance calculated in 2014.

The cost of Hera S.p.A.'s Board of Directors for the year 2013 amounted to approximately Euro 1,175,000 net of the compensation totalling approximately Euro 780,000 collected by Hera for the participation of directors/managers in

the corporate bodies of the subsidiary companies.

At any rate, considering the delicate nature of the issue, especially during the current historical moment, the Chairman sought to reassure the shareholders that attention would remain high in the effort to bring together the objective of sobriety and the need to ensure the company's effective operation.

In relation to the numerical data, attendees were invited to refer to the second Section of the Report, which details the compensation received by the Board of Directors, the top managers and Chief Operating Officers.

As noted above, it was emphasized that, in compliance with the Issuers' Regulation, the resolution that would be reached in the current Shareholders' Meeting regarding the first Section of the Report was not binding.

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor, and noted the sensitive nature of the issue of remuneration in this particular moment, that witnessed a particularly high level of unemployment. He observed that the remuneration of the Chairman and the CEO was too high; he then asked himself how much time the other Directors dedicate to HERA, in light of the total compensation they received. His objection concerned the system itself: one cannot think of continuing in the same manner, considering that in many sectors the Company acted as a monopoly. These sectors must continue to be regarded as public goods. It is necessary to drastically reduce the remuneration, paying the Directors the same amount as the Mayor of the largest municipality. One must not forget that the Directors operate in protected sectors.

The Chairman intervened, reminding those present that in terms of a reduction in remuneration a positive example had already been given the previous year.

Shareholder Caradonna took the floor and, stimulated by Ballestrazzi's intervention, noted that the issue could not be discussed in such a demagogic way. HERA is a listed Company, that produces dividends and positions itself, as regards remuneration, at the lowest level compared to other listed companies (he invited attendees to read the statistics published in Milano Finanza).

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the second item on the agenda for the Ordinary Part:

"The Ordinary Shareholders' Meeting of HERA S.p.A.:

- in keeping with the requirements of Article 123-ter of the TUF, and furthermore in implementation of the provisions of Art. 84-quater of the Consob Issuers' Regulation;

- recognizing the policies adopted by the Group concerning remuneration;
- acknowledging the first section of the Remuneration Report

**resolves**

- to approve the first section of the Hera Group's "Remuneration Report".

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the second item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the second item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix N**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

997,351,124 votes in favour

23,703,353 votes against

13,541,470 abstentions

0 non-voters

**the proposal was declared approved.**

The Chairman noted that the discussion of the second item on the agenda for the Ordinary Part was closed, and moved on to discuss the third item on the agenda for the Ordinary Part.

**3. Renewal of the authorisation to purchase treasury shares and relevant allotment policies: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

He reminded attendees that, during the meetings held from 2006 to 2013 to approve the financial statements, in every session the members had authorized the purchase and/or use/sales of Hera S.p.A shares, up to a maximum turnover threshold of 15,000,000 shares for the 2006, 2007 and 2008 financial years, up

to a maximum turnover threshold of 24,000,000 shares for the 2009 and 2010 financial years, and up to a maximum turnover threshold of 25,000,000 for the 2011, 2012 and 2013 financial years.

In relation to this, he clarified that the company's capital at that date amounted to Euro 1,421,342,617, that the company held 9,178,065 (nine million one hundred seventy eight thousand and sixty five) treasury shares and that its subsidiaries did not hold any Hera S.p.A shares.

He therefore proposed that, in order to increase the creation of value for shareholders, without excluding the possibility of using the treasury shares purchased as part of corporate operations that might generate investment opportunities, the Company's General Meeting, within the limits of and pursuant to Article 2357 of the Italian Civil Code, subject to the nullification of the previous authorization decision made by the Shareholders' Meeting attendees on 30 April 2013 for the non-completed part, renew its authorization to purchase Hera ordinary shares with a par value of Euro 1 up to a maximum turnover threshold of 40,000,000 (forty million), representing approximately 2.8142% (two point eight thousand, one hundred forty-two percent) of HERA S.p.A.'s share capital, acknowledging that the above-named number of shares was in compliance with Art. 2357 of the Italian Civil Code.

He therefore asked that the present Meeting authorize the purchase of treasury shares to be carried out within 18 (eighteen) months from the date of the Meeting, in one or more operations for an overall total not exceeding Euro 80,000,000 and for a minimum price per unit not inferior to their nominal value and a maximum price per unit not superior to 10% (ten percent) of the effective sale price listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. ("M.T.A.") in the trading session preceding each individual purchase.

Moreover, regarding the modality in which the purchased shares were to be used, he asked that, in compliance with Art. 2357 of the Italian Civil Code, the following be authorized:

(a) (a) the use of treasury shares purchased as part of operations allowing for investment opportunities through exchange, share swap, conferment, divestiture or other operations involving treasury shares for the purchase of shareholdings or blocks of shares or other operations involving the allotment or distribution of treasury shares;

(b) (b) the sale, to be carried out through one or more operations, at a price that does not involve adverse economic effects for the company and is at any rate in compliance with the legislative and regulatory provisions and limitations established by the Supervisory Authorities and Borsa Italiana S.p.A.

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor and asked for greater details as to what was intended by "small purchases" as regards the use of the treasury shares: he expressed his desire that Aimag be excluded from this context.

The Chairman intervened, expressing the opinion that he had already provided explanations as to the Aimag issue and repeating that the operation had strategic interest for HERA and that at the time there were no specific modalities imaginable for carrying out the operation.

Since there were no further statements, he declared the discussion closed.

The Chairman then moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the third item on the agenda for the Ordinary Part:

"The Ordinary Shareholders' Meeting of HERA S.p.A.:

- having heard the Chairman's report;
- having examined the explanatory report of the Board of Directors and the proposals made therein

#### **resolves**

**1.** to approve the purchase, to be enacted within 18 months of the date of this meeting's resolution, in full or multiple payment, up to a maximum turnover threshold equalling nr. 40,000,000 HERA ordinary shares, each having one Euro nominal value; this shall always take place as per thresholds under art. 2357 of the Italian Civil Code, after the previous authorisation resolution passed in the 30 April 2013 meeting has been repealed for the non-enacted part. Treasury share purchase price shall be no lower than their nominal value, not exceeding a 10% threshold with respect to the reference price recorded on the Stock Exchange day prior to every single purchase; it is understood that purchases cannot exceed a maximum amount equalling € 80,000,000. Moreover, purchases shall preferably take place on the M.T.A. and shall abide by all of the law provisions, regulations and prescriptions set out by the Supervising Authorities and/or by Borsa Italiana S.p.A.;

**2.** to authorize, pursuant to Art. 2357-ter of the Italian Civil Code:

(a) the use of treasury shares acquired within transactions allowing for investment opportunities including such means as exchange, share swap, trading-in, allocation, handover or any other treasury share assignment act aimed at acquiring shareholding or blocks of shares or any other transactions entailing treasury share allotment or disposal;

(b) the sale may take place through multiple payment, at a price that does not entail any negative financial outcome for the company, and shall always abide by all legislation and regulations and by the Supervising Bodies' and Borsa Italiana S.p.A.'s guidelines;

**3.** to authorise, under art. 2357-ter of the Italian Civil Code, the increase of the existing non-disposable asset reserve, equalling the amount of treasury shares in the balance assets;

**4)** to confer a mandate upon the Board of Directors and on their behalf to the Chairman and the CEO, in a separate manner, so that they carry out the purchase and/or the utilisation/sale of HERA shares under all relevant legislation, under this authorisation as well as under the above-listed conditions, within the most appropriate time frame;

5. to establish that, in the case of treasury share handover, the reserve under art. 2357-ter of the Civil Code shall flow back to an amount equalling the book value of the treasury shares handed over in the existing treasury share purchase reserve, so that said reserve may eventually be used for other purchases, within the timing and conditions authorised under this resolution. Should the portfolio treasury shares undergo downwriting or revaluation, the above-mentioned reserve shall subsequently be rectified."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the third item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the third item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix O**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

1,039,599,823 votes in favour

565,902 votes against

105 abstentions

10,000 non-voters

**the proposal was declared approved.**

The Chairman noted that the discussion of the third item on the agenda for the Ordinary Part was closed, and moved on to discuss the fourth item on the agenda for the Ordinary Part.

**4. Appointment of the members of the Board of Directors: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

He reminded those present that the current Board of Directors of HERA S.p.A. had

been nominated during the Shareholders' Meeting held on 29 April 2011, that their mandate expires with today's Meeting, and lastly that the procedures for nominating the members of the Board of Directors are indicated in Article 17 of the Articles of Association.

Before proceeding, attendees were asked to note the amendments to the Articles of Association approved previously during the current Meeting, that concern, in particular, (i) the reduction of the members of the HERA SpA Board of Directors from 15 to 14; and (ii) the reduction from 12 to 11 of the members of the HERA SpA Board of Directors chosen from the most-voted list. He therefore specified that in light of the aforementioned resolutions, the list that will obtain the largest number of votes will have to be made up of 11 candidates - in line with the new Articles of Association - resulting in the automatic disqualification of the candidate indicated in twelfth place according to the sequential order of the list.

He communicated that, as regards the nomination of the members of the Board of Directors, n. 2 (two) lists, whose details are provided below, had been deposited according to the modalities and terms foreseen by the current Articles of Association, Article 17:

**LIST 1**

This list had been presented on 26 March 2014 by 124 Public Shareholders adhering to the "Syndicate Contract for Voting and regulation of share transferrals", that represented over 1% of the shares bearing the right to vote; it indicated the following candidates, listed in numerical order:

1. Tomaso Tommasi di Vignano
2. Stefano Venier
3. Giovanni Basile
4. Giorgia Gagliardi
5. Stefano Manara
6. Danilo Manfredi
7. Forte Clò
8. Tiziana Primori
9. Luca Mandrioli
10. Cesare Pillon
11. Riccardo Illy
12. Enea Sermasi

Curricula with the personal and professional characteristics of each candidate, irrevocable acceptances of the office (in case of their nomination), declarations that causes of ineligibility, forfeiture and incompatibility do not exist and that the requisites of integrity required by law for auditors pursuant to Article 148 paragraph 4 of Italian Legislative Decree no. 58/1998 had been met, had all been deposited together with this list at the registered office.

The candidates indicated from the 3rd to the 11th position, with the exception of the candidate that appears in the 10th position, had declared that they possessed the requisites of independence required for Auditors by Article 148 paragraph 3 of Italian Legislative Decree n. 58/1998, and those provided for by the Code of Conduct drawn up by the Corporate Governance Committee of Borsa Italiana S.p.A.

**LIST 2**

This list had been presented on 27 March 2014 by Shareholders from Carimonte

Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Gruppo Società Gas Rimini S.p.A., Fondazione Cassa dei Risparmi di Forlì and Fondazione Cassa di Risparmio di Imola, represented over 1% of the shares bearing the right to vote, and indicated the following candidates, listed in numerical order:

1. Mara Bernardini
2. Massimo Giusti
3. Bruno Tani

Curricula with the personal and professional characteristics of each candidate, irrevocable acceptances of the office (in case of nomination), declarations that causes of ineligibility, forfeiture and incompatibility do not exist and that the requisites of integrity required by law for Auditors pursuant to Article 148 paragraph 4 of Italian Legislative Decree no. 58/1998 had all been all met, as well as declarations of the requisites of independence established for Auditors by Article 148 paragraph 4 of Italian Legislative Decree no. 58/1998, and those foreseen by the Code of Conduct drafted by the Borsa Italiana S.p.A Corporate Governance Committee, had all been deposited together with this list at the registered office.

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor, remarking that faced with such important proceedings he was the only one to take the floor. He then examined the names contained in the two lists. He paused to consider the names of the two candidates from Modena on the list that represented the private sector, pointing out that they already held many other offices. As concerned the two accountants found in the public list (Basile and Mandrioli), he noted that it would have been more appropriate to nominate specialists in networking and environmental issues instead of accountants.

Shareholder Pierini Giulio, Mayor of Budrio, took the floor, and while underlining the good results achieved by HERA in 2013 maintained that alongside these results some consideration should be given to the reduction of the number of members of the Board of Administration and the reform of their remuneration. He regretted that over the area covered there is a certain disaffection towards HERA and towards those who sustain it, which is often due to misconceptions rather than specific facts or adequate consideration.

Shareholder Caradonna took the floor, thanking the outgoing CEO and wishing him all the best for the future.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the Vote of the lists.

For the appointment of the Board of Directors he now submitted the lists

presented to the established voting procedures.

Voting on the current item on the agenda was to take place by way of the "radiovoter", according to the following procedures.

He reminded those present that, pursuant to Article 17 of the Articles of Association, each shareholder could vote for only one list. Votes cast in violation of that prohibition would not be attributed to any list.

17.2 The appointment of the members of the Board of Directors shall take place as provided for below:

(i) from the list obtaining the greatest number of votes, 11 (eleven) members of the Board of Directors shall be taken based on the consecutive order in which they are listed;

(ii) for the appointment of the remaining 3 (three) members, the votes obtained by the other list would be progressively divided by one, two and three. The quotients thus obtained are assigned progressively to the candidates of the list, in the order provided for therein. The candidates are thus arranged in a single decreasing classification, according to the quotients assigned to each candidate. Candidates winning the largest quotients will be elected, until the remaining number of members to be elected is reached.

Once the voting procedure for the lists had been declared open, Shareholders are invited to use the "radiovoter" and press button "1" to vote for list 1, button "2" to vote for list 2, button "C" to cast a vote AGAINST all of the lists, or button "A" to ABSTAIN from voting.

At this moment - before activating the button "OK" - Shareholders still have the possibility of modifying their choice, by simply pressing the button corresponding to the new choice they intend to make.

After having verified on the "display" the correctness of the choice made, Shareholders must press the "OK" button found on the "radiovoter" to definitively cast their vote, a confirmation of which will be given on the "display" itself. As of this moment the vote cast can no longer be modified, without proceeding to the "assisted voting" station found in the middle of the hall.

He also stated that those who do not vote or do not confirm their vote by way of the OK button will be classified as "NON-VOTERS".

He furthermore reminded those present that detailed instructions for use of the "radiovoters" for Voting the Lists were found in a specific document contained in the folder provided to all those participating at reception.

Shareholders holding proxies who intended to cast votes that varied among the shares represented overall were to go to the special voting station indicated above, called "assisted voting";

Shareholders were strongly encouraged not to enter and exit the room during voting operations, to facilitate a proper attendance count.

He then declared the voting procedure open on the proposed resolution concerning the fourth item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("1" to vote list 1, "2" to vote list 2, "A" for ABSTAIN or "C" to vote AGAINST); please, proceed to press the button;

- check on the screen that this choice was correct; please, verify your choice;

The Chairman then asked voters to:

- press the "OK" button; please, press this button.

The Chairman lastly asked voters to:

- check on the screen that the vote had been sent correctly; please, verify that this has happened.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the fourth item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then communicated the outcome of the vote, provided by the "assisted voting" station.

He thus announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix P**):

**LIST 1**, presented by 124 Public Shareholders adhering to the "Syndicate Contract for Voting and regulation of share transferrals", received votes representing 720,576,342 shares, corresponding to 69.27% of the share capital present.

**LIST 2** presented by the Shareholders Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Gruppo Società Gas Rimini S.p.A., Fondazione Cassa dei Risparmi di Forlì and Fondazione Cassa di Risparmio di Imola, received votes representing 316,792,541 shares, corresponding to 30.45% of the share capital present.

The following votes were also cast

2,806,947 votes against

0 abstentions

0 non-voters

At the conclusion of the voting procedure, as foreseen by Article 17 of the Articles of Association, as modified in the current Meeting, he therefore declared that the following had been appointed as members of the Board of Directors, and would elect domicile for the office in Bologna, Viale Carlo Berti Pichat 2/4 at the registered office of Hera S.p.A.:

1. **Tomaso Tommasi di Vignano, born in Brescia (BS) on** 14 July 1947, tax code TMM TMS 47L14 B157W;

2. **Stefano Venier, born in Udine (UD) on 3 April** 1963, tax code VNR SFN 63D03 L483M;

3. **Giovanni Basile, born in Padova (PD) on 15** April 1965, tax code BSL GNN 65D15 G224U;

4. **Giorgia Gagliardi, born in Lugo (RA) on 3** May 1982, tax code GGL GRG 82E43 E730H;

5. **Stefano Manara, born in Imola (BO) on 5 January** 1968, tax code MNR SFN 68A05 E289C;

6. **Danilo Manfredi, born in Forlì (FC) on 10** September 1969, tax code MNF DNL 69P10 D704G;

7. **Forte Clò, born in Vignola (MO) on 27 August** 1951, tax code CLO FRT 51M27 L885F;
8. **Tiziana Primori, born in Pesaro (PU) on 10** January 1959, tax code PRM TZN 59A50 G479J;
9. **Luca Mandrioli, born in Modena (MO) on 19** October 1967, tax code MND LCU 67R19 F257C;
10. **Cesare Pillon, born in Padova (PD) on 10** September 1953, tax code PLL CSR 53P10 G2240;
11. **Riccardo Illy, born in Trieste (TS) on 24** September 1955, tax code LLY RCR 55P24 L424L;
12. **Mara Bernardini, born in Modena (MO) on 9** October 1957, tax code BRN MRA 57R49 F257M;
13. **Massimo Giusti, born in Sassuolo (MO) on 7** May 1967, tax code GST MSM 67E07 I462D;
14. **Bruno Tani, born in Sogliano al Rubicone (FC) on 18** September 1949, tax code TNA BRN 49P18 I7790.

The Chairman furthermore stated that, as foreseen by Article 16.1 of the Articles of Association, the Members of the Board of Directors would remain in office for three financial years, more precisely until the Shareholders' Meeting called to approve the financial statements for the year that closes on 31 December 2016.

The Chairman declared his acceptance of office conferred on him, and furthermore took note that the administrators had pre-emptively accepted the offices conferred on them, with effectiveness deferred to the date of appointment, declaring under their own responsibility the non-existence of grounds for ineligibility or forfeiture foreseen by the law.

The Chairman declared that the discussion of the fourth agenda item was closed, and moved on to a discussion of the fifth agenda item for the ordinary part.

**5. Definition of the remuneration for the members of the Board of Directors: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception. He reminded those present that remuneration for the members of the preceding Board of Directors was set by the Ordinary Shareholders' Meeting of 30 April 2011 at 50,000 Euros gross each per annum, in addition to reimbursement of expenses incurred in the performance of their duties according to the criteria set in reference to the ACI tables for the reimbursement of automobile expenses and official documentation (train tickets, invoices, etc.) for other expenses incurred.

Shareholder DANIELA MANCA, Mayor of Imola, took the floor, and speaking on the behalf of the Public Shareholders formulated the following proposal:

"A remuneration of 40,000 Euros gross each per annum, in addition to reimbursement of expenses incurred in the performance of their duties according to the criteria set in reference to the ACI tables for the reimbursement of automobile expenses and official documentation (train tickets, invoices, etc.) for other expenses incurred."

Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the

floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room. He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor, expressing the opinion that the remuneration for the Director with no delegation was still too high. He would have preferred that this remuneration was in line with the one, understood as an attendance fee, of the Councilor of the largest Municipality. He was astonished that the remuneration of the Chairman and the CEO should be established by the Board of Directors.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Submission of the proposed resolution

Having heard the interventions of the Shareholders, he submitted for the approval of today's Meeting the following proposal for the quantification of the remuneration to be paid to the members of the Board of Directors:

"A remuneration of 40,000 Euros gross each per annum, in addition to reimbursement of expenses incurred in the performance of their duties according to the criteria set in reference to the ACI tables for the reimbursement of automobile expenses and official documentation (train tickets, invoices, etc.) for other expenses incurred."

#### Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the fifth item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the fifth item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in

accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix Q**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

868,314,492 votes in favour

163,623,230 votes against

6,592,545 abstentions

10,000 non-voters

**the proposal was declared approved.**

The Chairman noted that the discussion of the fifth item on the agenda for the Ordinary Part was closed, and moved on to discuss the sixth item on the agenda for the Ordinary Part.

**6. Appointment of the members and the Chairman of the Board of Statutory Auditors: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

The Chairman communicated that 2 lists had been deposited for the nomination of the members of the Board of Statutory Auditors.

These lists were presented according to the modalities and terms foreseen by the current Articles of Association, Article 26.

In particular,

- **LIST 1** had been presented on 26 March 2014 by 124 Public Shareholders that adhered to the "Syndicate Contract for Voting and regulation of share transferrals", represented over 1% of the shares bearing the right to vote, pursuant to Consob Resolution n. 18775 of 29 January 2014, and indicated the following candidates, listed in numerical order:

1. Marianna Girolomini - Standing Auditor

2. Antonio Gaiani - Standing Auditor

3. Valeria Bortolotti - Alternate Auditor

in addition to a declaration certifying the absence of pacts or connections of any kind with other Shareholders having presented other lists.

Along with the list, a declaration had been deposited at the Registered office in which the individual candidates accept their candidacies and declare that causes of ineligibility, forfeiture and incompatibility foreseen by the law do not exist and that they meet the requisites of integrity and professionalism required by law for the members of the Board of Statutory Auditors. A list of the administrative and control offices each candidate held in other companies was also provided.

- **LIST 2** had been presented by Shareholders from Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Gruppo Società Gas Rimini S.p.A., Fondazione Cassa dei Risparmi di Forlì and Fondazione Cassa di Risparmio di Imola, represented over 1% of the shares bearing the right to vote, pursuant to Consob Resolution n. 18775 of 29 January 2014, and indicated the following candidates, listed in numerical order:

1. Sergio Santi - Standing Auditor

2. Violetta Frasnedi - Alternate Auditor

in addition to a declaration certifying the absence of pacts or connections of

any kind with other Shareholders having presented other lists.

Along with the list, a declaration had been deposited at the Registered office in which the individual candidates accept their candidacies and declare that causes of ineligibility, forfeiture and incompatibility foreseen by the law do not exist and that they meet the requisites of integrity and professionalism required by law for the members of the Board of Statutory Auditors. A list of the administrative and control offices each candidate held in other companies was also provided.

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor, asking whether the remuneration for members of the Board of Statutory Auditors was defined by the Board of Directors.

The Chairman noted that the remuneration for the Board of Statutory Auditors was to be discussed during the following item on the agenda of today's Meeting.

Shareholder Ballestrazzi declared that he would intervene during the discussion of the following item.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Vote for the lists

For the appointment of the Board of Statutory Auditors he now submitted the lists presented to the established voting procedures.

Voting on the current item on the agenda was to take place by way of the "radiovoter", according to the following procedures.

He reminded those present that, pursuant to Article 17 of the Articles of Association, each shareholder could vote for only one list.

The appointment of the members of the Board of Statutory Auditors shall take place as provided for below:

(i) from the list obtaining the largest number of votes, two Standing statutory auditors and one Alternate shall be taken, in the consecutive order in which they are listed on the said list.

(ii) the third Standing statutory auditor and the other Alternate shall be taken from the other list, electing the first and second candidate having obtained the second highest quotient.

Once the voting procedure for the lists had been declared open, Shareholders were invited to use the "radiovoter" and press button "1" to vote for list 1, button "2" to vote for list 2, button "C" to cast a vote AGAINST all of the lists, or button "A" to ABSTAIN from voting.

At this moment - before activating the button "OK" - Shareholders still have the possibility of modifying their choice, by simply pressing the button

corresponding to the new choice they intend to make.

After having verified on the "display" the correctness of the choice made, Shareholders must press the "OK" button found on the "radiovoter" to definitively cast their vote, a confirmation of which will be given on the "display" itself. As of this moment the vote cast can no longer be modified, without proceeding to the "assisted voting" station.

He also stated that those who do not vote or do not confirm their vote by way of the OK button will be classified as "NON-VOTERS".

He furthermore reminded those present that detailed instructions for use of the "radiovoters" for Voting the Lists were found in a specific document contained in the folder provided to all those participating at reception.

Shareholders holding proxies who intended to cast votes that varied among the shares represented overall were to go to the special voting station indicated above, called "assisted voting";

Shareholders were strongly encouraged not to enter and exit the room during voting operations, to facilitate a proper attendance count.

He then declared the voting procedure open for the lists relative to the sixth item on the agenda

The Chairman then asked voters to:

- a digitare il tasto relativo alla votazione prescelta;
- check on the screen that this choice was correct;
- press the "OK" button;
- a verificare sullo schermo che il voto sia stato registrato.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the sixth item of the agenda closed and asked a staff member from the "assisted voting" station to provide the results of the vote.

He then announced the outcome of the vote given at the "assisted voting" station, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix R**):

**LIST 1**, presented by 124 Public Shareholders adhering to the "Syndicate Contract for Voting and regulation of share transferrals", received votes representing 712,338,512 shares, corresponding to 68.95% of the share capital present.

**LIST 2**, presented by the Shareholders Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Gruppo Società Gas Rimini S.p.A., Fondazione Cassa dei Risparmi di Forlì and Fondazione Cassa di Risparmio di Imola, received votes representing 318,276,563 shares, corresponding to 30.80% of the share capital present.

The following votes were also cast:

54 votes against

2,415,346 abstentions

1,105 non-voters

At the conclusion of the voting procedure, as foreseen by Article 26 of the Articles of Association, the Chairman therefore declared that:

a) from **LIST 1**, that obtained the largest number of votes cast by the Shareholders, 2 Standing Auditors and 1 Alternate Auditor were taken, following

the numerical order in which they were found in the list itself:

1. **Marianna Girolomini**, born in Riccione (RN) on 3 September 1970, domiciled in via Acquario n.19 - 47923 Rimini  
tax code GRL MNN 70P43 H274K, registered in the Institute of Financial Auditors as n. 12050 with D.M. 19 April 2001, published in the Gazzetta Ufficiale n. 36 of 8 May 2001 - Standing Auditor;
2. **Antonio Gaiani** born in Bologna (BO) on 16 October 1965, domiciled in via Lorenzetti n.11 - 40133 Bologna, tax code GNA NTN 65R16 A944R, registered in the Institute of Financial Auditors at n. 75781 with D.M. 26 May 1999, published in the Gazzetta Ufficiale appendix n. 45 on 8 June 1999 - Standing Auditor;
3. **Valeria Bortolotti** born in Bologna (BO) on 22 marzo 1950, domiciled in Bologna (BO), Via Cartoleria n. 26 - tax code BRT VLR 50C62 A944G, registered in the Institute of Financial Auditors at n. 7483 with D.M. 12 April 1995, published in the Gazzetta Ufficiale appendix n. 31bis on 21 April 1995 - Alternate Auditor;

b) from **LIST 2**, 1 Standing Auditor and 1 Alternate Auditor were taken, following the numerical order in which they were found in the list itself:

1. **Sergio Santi**, born in Imola (BO) on 5 January 1943, domiciled in Imola (BO) via S. Lucia n. 26 - tax code SNT SRG 43A05 E289F, registered in the Institute of Financial Auditors at n. 52696 with D.M. 12 April 1995, published on the Gazzetta Ufficiale appendix n. 31 bis IV special series on 21 April 1995 - Standing Auditor;
2. **Violetta Frasnedi**, born in Bologna (BO) on 21 October 1972, domiciled in Bologna (BO), via San Petronio Vecchio n. 25/2 - tax code FRS VTT 72R61 A944H, registered in the Institute of Financial Auditors at n. 135417 with D.M. 26 January 2005, published on the Gazzetta Ufficiale appendix n. 9 on 1 February 2005, - Alternate Auditor.

He furthermore stated that the Chairmanship of the Board of Statutory Auditors, pursuant to Article 26.6 of the Articles of Association, shall go to the first candidate from LIST 2 that obtained the second highest quotient and therefore to Sergio Santi.

As foreseen by Article 25 of the Articles of Association, the Board of Statutory Auditors will remain in office for three financial years, to be more precise until the Meeting called to approve the financial statements for the year that closes on 31 December 2016.

The Chairman took note that the appointed Auditors had pre-emptively accepted the offices conferred on them, with effectiveness deferred to the date of appointment, declaring under their own responsibility the non-existence of grounds for ineligibility or forfeiture foreseen by the law.

The Chairman noted that the discussion of the sixth item on the agenda for the Ordinary Part was closed, and moved on to discuss the seventh item on the agenda for the Ordinary Part.

#### **7. Definition of the remuneration for the members of the Board of Statutory Auditors: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

He reminded those present that during the Ordinary Part of the Shareholder's Meeting held on 29 April 2011 the remuneration for the Board of Statutory

Auditors had been established, as a flat rate for each financial year, at a sum equal to Euro 280,000, of which Euro 120,000 for the Chairman and Euro 80,000 for each standing member, in addition to reimbursement of expenses incurred and other legal obligations, the aforementioned reimbursement being understood to include the compensation due to the members of the Board who have been appointed as members of the Board of Statutory Auditors of companies whose share capital is entirely held by Hera S.p.A.

Shareholder Daniela Manca, Mayor of Imola, took the floor and, speaking on behalf of the Public Shareholders, put forward the following proposal:

"The remuneration for the Board of Statutory Auditors is defined as a flat rate for each financial year at a sum equal to Euro 280,000, of which Euro 120,000 for the Chairman and Euro 80,000 for each standing member, in addition to reimbursement of expenses incurred and other legal obligations, the aforementioned reimbursement being understood to include the compensation due to the members of the Board who have been appointed as members of the Board of Statutory Auditors of companies whose share capital is entirely held by Hera S.p.A."

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor, stating that as regards economic transparency the role played by the Board of Statutory Auditors was fundamental. The problem was that in Italy, as well as in other countries, Boards of Statutory Auditors rarely contradict the Directors. As a result, unless the true usefulness of the role played by the Auditors in HERA is demonstrated, the remuneration proposed is decidedly excessive. He therefore proposed that the Company's Auditors receive the same remuneration given to the Auditors of the Municipality of Bologna, which is the largest Municipality.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Submission of the proposed resolution

Having heard the interventions of the Shareholders, he submitted for the approval of today's Meeting the following proposal for the quantification of the remuneration to be paid to the members of the Board of Statutory Auditors:

"The remuneration for the Board of Statutory Auditors is defined as a flat rate for each financial year at a sum equal to Euro 280,000, of which Euro 120,000 for the Chairman and Euro 80,000 for each standing member, in addition to reimbursement of expenses incurred and other legal obligations, the aforementioned reimbursement being understood to include the compensation due to the members of the Board who have been appointed as members of the Board of Statutory Auditors of companies whose share capital is entirely held by Hera

S.p.A."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the seventh item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the seventh item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix S**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

1,001,154,574 votes in favour

27,162,745 votes against

4,714,261 abstentions

0 non-voters

**the proposal was declared approved.**

The Chairman took note that the discussion of the seventh item on the agenda for the Ordinary Part was closed, and moved on to discuss the eighth item on the agenda for the Ordinary Part.

**8. Appointment of the independent auditors for the financial years 2015 - 2023: related and consequent resolutions.**

The Chairman, with the consent of the attendees, refrained from reading the Explanatory Report prepared by the Board of Directors on this agenda item in its entirety, the text of which was contained in the folder provided at reception.

He reminded those present that the contract for external auditing currently assigned to PricewaterhouseCoopers S.p.A. (hereinafter "PWC"), that will expire at the date of approval of the financial statements for the year closing at 31 December 2014, cannot be renewed, given that in 2014 the period of nine financial years foreseen by Article 17 of Legislative Decree 39/2010 will come to a close; he also pointed out that the contract for external auditing assigned to PWC by some companies of the HERA Group will also expire in 2014.

Considering the dimensions and the complexity of the HERA Group, the Hera S.p.A. Board of Statutory Auditors had decided to begin the research necessary to identify a new auditing firm for the 2015-2023 financial years one year in advance, in order to submit to today's Meeting its proposal for the assignment of this role.

He underlined, on this point, that giving a postponed effective date to this assignment was a frequent practise among the country's major listed companies, allowing on the one hand the Group's Companies to proceed in aligning the conferral of this assignment on the new auditor, and on the other hand permitting the new auditors to organise their own activities in advance and acquire a closer knowledge of the Group.

He therefore referred to the motivated proposal of the Board of Statutory Auditors, that is contained in the aforementioned Board of Directors' Explanatory Report and that is reproduced in its entirety in the document attached hereto as **Appendix T**).

#### Submission of requests for the floor and opening of the discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter", to the "SPEAKERS" station found in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the order in which the requests to take the floor were submitted, he invited the first person who had made such a request come to the podium, reminding those concerned to keep their statements to 10 minutes.

Shareholder Ballestrazzi took the floor and observed that a further difficulty had finally emerged: one had only to add the remuneration of the Board of Statutory Auditors to that of the Independent Auditors. He repeated his previous proposal, with one modification: that the remuneration of Hera's Board of Statutory Auditors be in line not with the remuneration given to the Auditors of the Municipality of Bologna, but with the average remuneration received by members of the Independent Auditors of the various Municipalities holding shares in HERA.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the eighth item on the agenda for the Ordinary Part:

"The Ordinary Shareholders' Meeting of HERA S.p.A.:

- having heard the proposal of the Board of Statutory Auditors

#### **resolves**

to assign the external auditing for the accounts of the financial years 2015 - 2023, pursuant to Article 13 of Legislative Decree 39/2010 and Article 27 of the Articles of Association of Hera S.p.A., to Deloitte & Touche S.p.A., for an annual compensation of Euro 550,000, according to the other conditions included in the offer presented on 16 March 2014 and conserved in the Company's records. The contract assigned to Deloitte & Touche S.p.A. will therefore have an overall

validity of nine financial years and will expire at the date of approval of the financial statement for the year ending on 31 December 2023."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the entire duration of the voting operations.

He then declared the voting procedure open on the proposed resolution concerning the eighth item on the agenda for the Ordinary Part.

Holders of proxies, intending to cast differing votes on the proposal, were asked to go to the "assisted voting" station.

The other Shareholders were asked to remain seated and cast their votes using the "radiovoters", according to the instructions given in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were any reports from Shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the eighth item of the agenda for the Ordinary Part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the above-mentioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix U**):

having obtained the approval of the shareholders representing an absolute majority of the share capital represented at the Meeting, as shown in the breakdown in the hereto attached document, and with

1,022,873,655 votes in favour

54 votes against

853,074 abstentions

0 non-voters

**the proposal was declared approved.**

Since there were no interested parties, and none of the individuals so entitled objected, he declared the discussion on this agenda item closed.

Before concluding, he warmly thanked the notary, the staff of the "SPEAKERS" and "ASSISTED VOTING" stations and all those who had taken part in organizing and carrying out this Meeting.

The proceedings of the Shareholders' Meeting were then closed at 2:45 p.m.

The appearing party, under his own responsibility, aware of the significance of his actions under criminal law pursuant to Article 55 of Legislative Decree 231/2007, declared:

- that he was aware that the information and other data supplied during the preliminary investigation and execution of this instrument would be used by the executing notary for the purposes of meeting the requirements laid down by the aforementioned Legislative Decree;
- that the information and data were up to date.

The costs of this deed and those related and consequent hereto were defrayed by the Company.

The appearing party exempted me from the obligation to read the attached documentation.

I, the notary

read the deed to the appearing party, who approved and confirmed it.

Written by a person trusted by myself and completed by myself, the notary, on thirty-five sheets over one hundred thirty-seven pages.

Signed at 2:45 p.m.

F.ti Tomaso TOMMASI DI VIGNANO - FEDERICO TASSINARI