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**2016**  
Remuneration report

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## Introduction

This Remuneration Report (hereinafter also the “*Report*”) was drafted in compliance with applicable legal and regulatory obligations:

- Article 123-ter of Legislative Decree February 24, 1998 no. 58, transposed in the Consolidated Finance Act (hereinafter also “*CFA*”);
- Article 84-quater of the Consob Issuers Regulation (Resolution no. 11971 of May 14, 1999 and subsequent amendments and supplements) and related Annex 3A, schemes 7-bis and 7-ter;

and in accordance with the Corporate Governance Code recommendations for listed companies of Borsa Italiana S.p.A. (hereinafter also “*Corporate Governance Code*”).

The Report was approved on April 5, 2016 by the Board of Directors (hereinafter also the “*BoD*” or “*Board*”) of A2A S.p.A. (hereinafter also “*A2A*” or the “*Company*”), at the proposal of the Remuneration and Appointments Committee (hereinafter also “*Committee*”).

The Report is organized in two sections:

- First Section outlining:
  - the Remuneration Policy, which is the policy adopted by A2A and the companies controlled by it regarding the remuneration of executive and non-executive members of the Board of Directors and Executives with strategic responsibilities<sup>(1)</sup> (hereinafter also “*Key Executives*”);
  - the procedures adopted for the preparation, approval and implementation of the Remuneration Policy as well as the bodies and entities involved.

(1) According to the definition of reference outlined by Consob in the “Regulation on related-party transactions no. 17221 of March 12, 2010”: “*Key Executives are those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling of the company’s activities, including directors (whether executive or otherwise) of the company*”.

- Second Section outlining:
  - in analytical and nominative form, the remuneration paid in 2015 to executive and non-executive members of the Board of Directors and members of the Board of Auditors, in any capacity and in any form, by the Company and its subsidiaries/associates;
  - in analytical and aggregated form, the remuneration paid in 2015 to the Key Executives, in any capacity and in any form, by A2A and its subsidiaries/associates.

In order to provide a quick overview of the main elements and simplify reading of the Report, before the two sections is a summary overview of the Remuneration Policy. The following annexes have also been provided:

- a glossary of recurring terms and abbreviations/acronyms used;
- a table for quick identification, in each chapter of the Report, of the information required by Consob.

As required by article 84-quater, paragraph 4, of the Issuers Regulation, the Report outlines in specific tables, the figures related to the investments held, directly or through investees, trust companies, or third parties, by:

- members of the Board of Directors, members of the Board of Statutory Auditors and Key Executives;
- not legally separated spouses and children (minors) of the members of the Board of Directors, members of the Board of Statutory Auditors and Key Executives.

The information provided in this Report relates, unless otherwise indicated, to April 5, 2016, the date of its approval by the A2A Board of Directors.

This Report is made available to the public at the authorized storage mechanism <sup>1</sup>Info on the website [www.iinfo.it](http://www.iinfo.it), at the Company's headquarters located in Brescia, via Lamarmora 230 and on the website [www.a2a.eu](http://www.a2a.eu) ("Governance" - "Shareholders' Meeting" section), at least 21 days before the date of the Shareholders' Meeting called to express itself, with non-binding resolution, on the First Section of the Report.

## Governance system and organizational structure of A2A

As of June 16, 2014, the Company has changed its management and control system from “two-tier” to “traditional”, following approval of the related changes to the by-laws by the Extraordinary Shareholders’ Meeting of June 13, 2014.

On June 13, 2014, the Shareholders’ Meeting appointed for three years a Board of Directors consisting of 12 members and a Board of Auditors consisting of 3 standing members and 2 alternate members.

At the date of approval of this Report, the Board of Directors and the Board of Auditors are composed as follows:

	Chairman	Vice-Chairman	Chief Executive Officer	Members
Board of Directors	Giovanni Valotti	Giovanni Comboni	Luca Valerio Camerano	<ul style="list-style-type: none"><li>• Antonio Bonomo</li><li>• Giambattista Brivio</li><li>• Maria Elena Cappello</li><li>• Michaela Castelli</li><li>• Elisabetta Ceretti</li><li>• Luigi De Paoli</li><li>• Fausto Di Mezza</li><li>• Stefano Pargello</li><li>• Dina Ravera</li></ul>

	Chairman	Auditors
Board of Statutory Auditors	Giacinto Sarubbi	<p>Standing:</p> <ul style="list-style-type: none"><li>• Cristina Casadio</li><li>• Norberto Rosini</li></ul> <p>Alternate:</p> <ul style="list-style-type: none"><li>• Onofrio Contu</li><li>• Paolo Prandi</li></ul>

As already specified in the Remuneration Report published in 2015, following its establishment, the A2A S.p.A. Board of Directors:

- appointed Luca Valerio Camerano as Chief Executive Officer, vesting him with broad powers for the Company’s ordinary operations;
- assigned the Chairman Giovanni Valotti an executive role with specific responsibilities concerning relationships with shareholders, institutions, authorities, the media, external relations and, in collaboration with the CEO, the drafting of proposals related to non-recurring transactions;
- entrusted to the Vice-Chairman, Giovanni Comboni, the responsibility of the Internal Audit of the Group.

At the date of approval of this Report, there are also four Board Committees, composed as follows:

Executive Committee	Control and Risks Committee	Remuneration and Appointments Committee	Committee for the Territory and Sustainability <sup>(2)</sup>
<ul style="list-style-type: none"><li>• Giovanni Valotti (Chairman)</li><li>• Giovanni Comboni</li><li>• Luca Valerio Camerano</li></ul>	<ul style="list-style-type: none"><li>• Michaela Castelli (Chairwoman)</li><li>• Giambattista Brivio</li><li>• Fausto Di Mezza</li></ul>	<ul style="list-style-type: none"><li>• Antonio Bonomo (Chairman)</li><li>• Giovanni Comboni</li><li>• Dina Ravera</li></ul>	<ul style="list-style-type: none"><li>• Stefano Pareglio (Chairman)</li><li>• Elisabetta Ceretti</li><li>• Luigi De Paoli</li><li>• Giovanni Valotti</li></ul>

(2) As part of the implementation of the 2015-19 Business Plan, which has put at the center of the corporate strategy the strengthening of relations with the territories and environmental, economic and social sustainability values, with resolution of November 12, 2015, the Board of Directors extended the competence of the “Committee for the Territory” to sustainability issues and changed its name to “Committee for the Territory and Sustainability”.

## 2016 Remuneration Policy - Summary

The A2A Remuneration Policy, described in detail in the First Section of this Report and adopted by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee, on April 5, 2016, contains no significant change with respect to as described in the 2015 Remuneration Report.

Some changes were introduced to the remuneration package of the CEO related to the treatment in the event of early termination of office with respect to the natural expiration. A non-competition agreement has also been formalized with the CEO following conclusion of the office.

The following tables (tables 1, 2 and 3) provide a summary of the main elements of the remuneration structure defined for members of the Board of Directors, the members of the Statutory Auditors and Key Executives.

Table 1: Summary overview of the main elements of the remuneration structure defined for the Board of Directors

	Board of Directors			
	Chairman	Vice-Chairman	Chief Executive Officer	Members
Fixed Remuneration: Component not subject to any condition for disbursement	It is composed of the remuneration received as Director (approved by Shareholders' Meeting at the time of appointment of the Board of Directors) in addition to the supplementary remuneration provided for the particular role and associated responsibilities. The Chairman also receives additional remuneration for participation in the Committee for the Territory and Sustainability. Does not receive instead any additional remuneration for participation in the Executive Committee.	It is composed of the remuneration received as Director (approved by Shareholders' Meeting at the time of appointment of the Board of Directors) in addition to the supplementary remuneration provided for responsibility for the Internal Audit. The Vice-Chairman also receives additional remuneration for participation in the Remuneration and Appointments Committee. Does not receive instead any additional remuneration for participation in the Executive Committee.	It is composed of the remuneration received as Director (approved by Shareholders' Meeting at the time of appointment of the Board of Directors) in addition to the supplementary remuneration provided for the particular role and associated responsibilities. The CEO does not receive any additional remuneration for participation in the Executive Committee.	It is composed of: <ul style="list-style-type: none"><li>• Remuneration received as Director (approved by the Shareholders' Meeting at the time of appointment of the Board of Directors);</li><li>• Any additional remuneration for participation in Board Committees.</li></ul>
Short-term variable incentives: Component disbursed based on the achievement of short-term objectives	Not provided	Not provided	An "access gate" is envisaged, which reduces or annuls the remuneration payable if the Group's economic-financial performance is not in line with the budget. The objectives are predefined and assigned annually by the Board, after consultation with the Remuneration and Appointments Committee. For disbursement of remuneration, it is necessary to exceed a minimum achievement of objectives; upon exceeding said minimum threshold, remuneration may vary linearly between 26.7% and 40% of Fixed Remuneration depending on the level of achievement of objectives.	Not provided
Long-term variable incentives	Not provided			
Non-monetary benefits	<ul style="list-style-type: none"><li>• Insurance policies (occupational and non-occupational injury; permanent disability due to illness and life);</li><li>• Supplementary health coverage;</li><li>• Insurance for civil liability Directors, Auditors and Executives;</li><li>• Car for mixed-use and use of fuel card.</li></ul>	<ul style="list-style-type: none"><li>• Insurance policy occupational and non-occupational injuries;</li><li>• Insurance for civil liability Directors, Auditors and Executives.</li></ul>	<ul style="list-style-type: none"><li>• Insurance policies (occupational and non-occupational injury; permanent disability due to illness and life);</li><li>• Supplementary health coverage;</li><li>• Insurance for civil liability Directors, Auditors and Executives;</li><li>• Car for mixed-use and use of fuel card.</li></ul>	<ul style="list-style-type: none"><li>• Insurance policy occupational and non-occupational injuries;</li><li>• Insurance for civil liability Directors, Auditors and Executives.</li></ul>



**Table 2: Summary overview of the main elements of the remuneration structure defined for the Board of Auditors**

	Board of Statutory Auditors	
	Chairman	Standing Auditors
Fixed Remuneration: Component not subject to any condition for disbursement	It is composed of the remuneration received as Chairman of the Board of Auditors (approved by Shareholders' Meeting at the time of appointment of the Board of Auditors).	It is composed of the remuneration received as Auditor of the Board of Auditors (approved by Shareholders' Meeting at the time of appointment of the Board of Auditors).
Short and long-term variable incentives	Not provided	
Non-monetary benefits	<ul style="list-style-type: none"><li>• Insurance policy occupational and non-occupational injuries;</li><li>• Insurance for civil liability Directors, Auditors and Executives</li></ul>	<ul style="list-style-type: none"><li>• Insurance policy occupational and non-occupational injuries;</li><li>• Insurance for civil liability Directors, Auditors and Executives</li></ul>

**Table 3: Summary overview of the main elements of the remuneration structure defined for Key Executives**

	Key Executives
Fixed Remuneration: Component not subject to any condition for disbursement	It is determined based on the role and responsibilities assigned as well as the professional specialization and technical, professional and managerial skills required and held.
Short-term variable incentives: Component disbursed based on the achievement of short-term objectives	<p>An “access gate” is envisaged, which reduces or annuls the remuneration payable if the Group’s economic-financial performance is not in line with the budget.</p> <p>The objectives, predefined and assigned annually, are:</p> <ul style="list-style-type: none"><li>• economic-financial, operational and/or productivity targets related to the Group’s performance and the achievement of the Group’s business plan;</li><li>• 1 - 2 common to all Key Executives;</li><li>• 3 - 4 specific for organizational area of responsibility.</li></ul> <p>The remuneration value is:</p> <ul style="list-style-type: none"><li>• assigned individually and determined based on the role and responsibilities assigned and balance (pay-mix) with Fixed Remuneration;</li><li>• characterized by a range of fluctuation with:<ul style="list-style-type: none"><li>• a minimum amount, payable only upon exceeding minimum achievement of the objectives (15% - 25% of the Fixed Remuneration);</li><li>• an amount at target payable upon achievement of 100% of the short-term targets assigned (20% - 30% of the Fixed Remuneration);</li><li>• a maximum amount (“cap”) payable in conditions of over-performance (25% - 35% of the Fixed Remuneration).</li></ul></li></ul>
Long-term variable incentives	Not provided
Non-monetary benefits	<ul style="list-style-type: none"><li>• Insurance policies (occupational and non-occupational injury; permanent disability due to illness and life);</li><li>• Supplementary health coverage;</li><li>• Insurance for civil liability Directors, Auditors and Executives;</li><li>• Car for mixed-use and use of fuel card.</li></ul>

## Section 1 – 2016

### Remuneration Policy

#### **a. Preparation, approval and implementation of the Remuneration Policy: procedures, bodies and entities involved**

The preparation, approval and implementation of the Remuneration Policy related to the members of the Board of Directors and Key Executives requires the involvement and contribution of various bodies and entities depending on the recipient to which it is addressed and specifically:

- Shareholders' Meeting;
- Board of Directors;
- Appointments and Remuneration Committee;
- Executive Committee and CEO;
- Human Resources and Organization and Administration, Finance and Control.

#### **Shareholders' Meeting**

Regarding remuneration, the Shareholders' Meeting:

- defines the remuneration of the members of the Board of Directors as Directors. The remuneration is determined at the time of appointment of Directors and is valid for the entire period of office;
- defines the remuneration of the members of the Board of Auditors. The remuneration is determined at the time of appointment of Auditors and is valid for the entire period of office;
- resolution in favour or against (non-binding vote) on Section 1 of the Report provided for in article 123-ter, paragraph 3 of the CFA on the Company's policy on remuneration of the members of the boards of directors and auditors, general managers and key executives with reference at least to the following year.

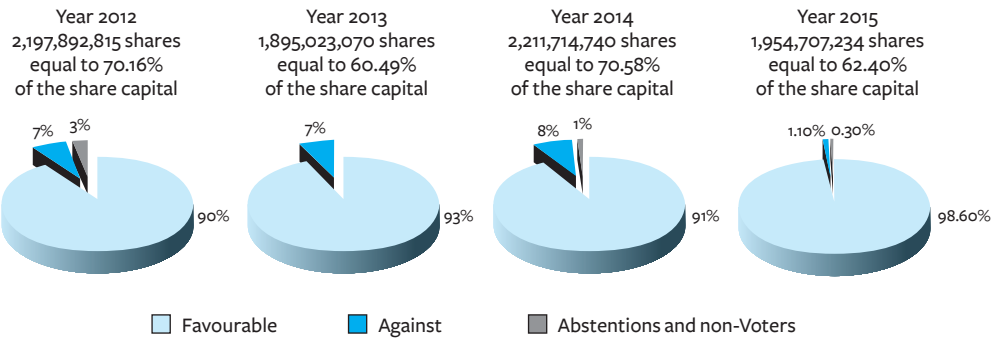
On June 13, 2014, the Shareholders' Meeting determined, for the period of office of the Board of Directors and the Board of Auditors, the following individual annual remuneration:

- 80,000 euro for the members of the Board of Directors;
- 100,000 euro for the Chairman of the Board of Auditors<sup>(3)</sup>;
- 70,000 euro for the Standing Auditors of the Board of Auditors<sup>(3)</sup>.

On June 11, 2015, the Shareholders' Meeting also voted in favour on Section 1 of the 2015 Remuneration Report.

The figure below (figure 4) outlines the results of the advisory vote by the Shareholders' Meeting of 2012 (May 29, 2012), 2013 (June 13, 2013), 2014 (June 13, 2014) and 2015 (June 11, 2015) on the Remuneration Report.

**Figure 4: Results of the advisory vote by the Shareholders' Meeting on the 2012, 2013, 2014 and 2015 Remuneration Reports**



## Board of Directors

Regarding remuneration, the Board of Directors:

- established a Remuneration and Appointments Committee and determined the powers and rules of operation thereof, bearing in mind that at least one of the members of the Committee possesses adequate knowledge and experience in financial matters or remuneration policies;

and in accordance with the By-Laws of the Group:

- establishes, after consulting with the Remuneration and Appointments Committee, and the Board of Auditors, the remuneration for the Directors vested with particular offices, powers or functions by the By-Laws or by the Board of Directors;

(3) On June 7, a proposal will be submitted to the Shareholders' Meeting to adjust the individual annual remuneration provided for the Chairman and the Standing Auditors of the Board of Auditors.

- may attribute special offices or special technical-administrative functions to one or more of its members, in this case resolving special compensation and particular remuneration, both upon conferment of the office and subsequently, after consulting with the Remuneration and Appointments Committee and the opinion of the Board of Auditors;
- approves the Remuneration Policy and submits it to the Shareholders' Meeting called to resolve on the allocation of profits.

Furthermore, the Board of Directors, with the support of the Remuneration and Appointments Committee and, where necessary, the competent corporate organizational structures (Human Resources and Organization and Administration, Finance and Control) is responsible for the preparation and implementation of the short-term incentive system of the CEO, setting the performance objectives and approving the related level of achievement.

Regarding remuneration, in 2015, the Board of Directors examined the following topics:

- short-term incentive system of the CEO, analyzing and approving the proposal elaborated by the Remuneration and Appointments Committee;
- short-term incentive system assigned to Executives, with specific focus on the access gate operating mechanism, on the range of fluctuation of the bonus (minimum and maximum threshold) and the logics for assignment of the objectives;
- long-term incentive system for the Chairman, CEO and senior figures of the Group's Management, analyzing the study carried out by the Remuneration and Appointments Committee. On this particular issue, albeit considering the instrument valid to promote the performance of the Company in the medium to long term, the Board of Directors decided not to proceed for now with the implementation;
- treatment provided in case of early termination from the office of CEO, for facts not attributable to the latter, analyzing and approving the proposal elaborated by the Remuneration and Appointments Committee;
- non-competition agreement for the CEO upon termination of office, analyzing and approving the proposal elaborated by the Remuneration and Appointments Committee.

The Board of Directors also approved an update to the Regulation of the Remuneration and Appointments Committee in order to improve compliance of the Committee's rules of operation with the indication of the Corporate Governance Code as well as the best market practices.

The Board of Directors was also informed of changes in the names of the Key Executives during the year following resignations, new assumptions of responsibility and organizational changes.

Appointments and Remuneration Committee

The Remuneration and Appointments Committee was established on June 17, 2014 by the Board of Directors. At the date of incorporation, the Committee was composed of the following Directors: Giovanni Comboni (Chairman), Antonio Bonomo and Stefano Cao.

On April 29, 2015, the Director Stefano Cao resigned from the office of Director and consequently also from member of the Remuneration and Appointments Committee.

On June 22, 2015 the Board of Directors therefore appointed the Director Dina Ravera member of the Remuneration and Appointments Committee, in place of the outgoing Stefano Cao.

Subsequently, on January 25, 2016, the Board of Directors approved the composition of the Remuneration and Appointments Committee indicated in table 5.

Table 5: Current Composition - Remuneration and Appointments Committee

Full name	Office	
Antonio Bonomo	Committee Chair	Independent Board Director pursuant to art. 148 CFA and criteria 3.C.1 of the Corporate Governance Code.
Giovanni Comboni	Committee Member	Independent Board Director pursuant to art. 148 CFA.
Dina Ravera	Committee Member	Independent Board Director pursuant to art. 148 CFA and criteria 3.C.1 of the Corporate Governance Code.

The Remuneration and Appointments Committee has the task of assisting the Board of Directors with investigative, advisory and proposal functions

In particular, the Committee is attributed the following tasks:

- periodically assess the adequacy, overall consistency and concrete application of the remuneration policy of Directors and Key Executives, availing itself, in this latter context, of the information provided by the Chief Executive Officers; formulate to the Board of Directors proposals in regard;
- submit proposals or expresses opinions to the Board of Directors regarding the remuneration of executive Directors and other Directors holding special offices or functions and also concerning the determination of the performance targets correlated to the variable component of said remuneration; assess the possibility of establishing long-term incentive systems for the Chairman, CEO and first-level Management; monitor the application of the decisions adopted by the Board of Directors verifying, in particular, the actual achievement of performance targets;

- previously examine the Annual Remuneration Report to be made available to the public in view of the Shareholders' Meeting for the annual financial statements;
- propose to the Board of Directors candidates for the office of Director in cases of co-option, if it is necessary to replace independent Directors;
- perform preliminary investigation on the drafting of the plan for the succession of executive Directors, if the Board of Directors has assessed the adoption of said plan;
- submit to the Board of Directors proposals for the appointment and remuneration in the corporate bodies of the subsidiaries on the basis of the "Guidelines for the appointment and remuneration of members of the corporate bodies of investees";
- perform any other tasks assigned by the Board of Directors.

For the effective performance of its analysis and investigation functions, the Committee may access the company information required and seek the operational support of the competent organizational structures.

The Committee, if it deems it appropriate, may also seek the consultancy of external expert companies on issues addressed, provided that they do not maintain relations with the Group such as to affect the independence of judgement.

The Committee shall meet as often as necessary for the proper performance of its functions. For the meetings to be valid, the presence of the majority of the members in office shall be required.

The resolutions may be adopted only with the favourable vote of the majority of members in office. In case of a tie, the vote of the Chairman shall prevail.

Committee meetings are also attended by the Chairman of the Board of Auditors, who may designate another Standing Auditor to attend in place. However, they can also be attended by the other Standing Auditors.

The meetings are also attended by the Head of Human Resources and Organization identified, on the basis of skills and corporate responsibilities assigned, secretary of the Committee.

If necessary, meetings may also be attended by other members of the Board of Directors or heads of the company functions or third parties, whose presence may be of support to the activities of the Committee.

However, no Director may attend meetings in which proposals are formulated to the Board of Directors regarding their remuneration.

The meeting calls contain an indication of the topics on the agenda and shall be sent at least two days before the date set, to each member of the Committee and members of the Board of Auditors.

In 2015, the Committee met 14 times and the participation of its members was 100%. All meetings were regularly held by prior call sent to all parties concerned and for each meeting, minutes were prepared outlining the issues addressed and the decisions taken. The meetings were always attended by the Chairman of the Board of Auditors. Most of the meetings were also attended by the other members of the Board of Auditors. In some cases, the meetings were also attended by other parties invited by the Committee Chairman.

During this period, the Committee carried out the following activities:

- definition of proposals for the appointment and remuneration in the corporate bodies of investees;
- definition of a proposal, to be submitted to the Board of Directors, for the short-term incentive system of the CEO;
- analysis of the short-term incentive system assigned to Executives, with specific focus on the access gate operating mechanism, on the range of fluctuation of the bonus (minimum and maximum threshold) and the logics for assignment of the objectives;
- outline of a long-term incentive system, to be applied, after evaluation of the Board, to the Chairman, CEO and senior figures of Group Management. For this activity, the Committee deemed it appropriate to resort to the collaboration of a qualified consulting firm; specifically, it made a comparison by way of tender between three different suppliers, considering as relevant criteria: professional experience on “executive remuneration” issues, reputation on the market, skills possessed by the team proposed for the collaboration, consistency of the contents of the proposed collaboration with respect to the needs of the Committee, price. In this regard, the Committee selected the consulting firm “Mercer”;
- definition of a proposal, to be submitted to the Board of Directors, to regulate the remuneration of the CEO in the event of early termination of office, for facts not attributable to the latter;
- formulation of a proposal for a non-competition agreement for the CEO to be applied upon completion of office.

For the two previous activities, the Committee resorted to the legal support of the firm Trifirò & Partners and the firm Bonelli Errede Pappalardo.

At the end of 2015, the Committee scheduled the activities to be performed during the following year and, at April 5, 2016, has held 4 meetings in 2016 which covered the following topics:

- appointment and remuneration in the corporate bodies of investees with the definition of proposals to be submitted to the Board of Directors;



- short-term incentive systems of the CEO for the purpose of both definition of the proposal for the year 2016 and verification of achievement of performance objectives for the year 2015;
- Remuneration Report with the preparation of this document to be submitted for approval to the Board of Directors.

### **Executive Committee and CEO**

The Executive Committee has the power, upon proposal of the CEO, to define the remuneration policies of executives, including Key Executives.

The CEO is also responsible for managing all contractual and organizational aspects of the other employees of the A2A Group.

### **Human Resources and Organization and Administration, Finance and Control**

Activities pertaining to the Remuneration Policy of the Board of Directors and Key Executives also involve:

- Human Resources and Organization for technical-specialist assistance on remuneration issues and for the elaboration of support analyzes such as, by way of example but not limited to, monitoring of internal remuneration and market trends; studies and benchmarks of market practices and trends; analysis of remuneration levels in terms of internal equity and competitiveness with respect to markets selected as reference;
- Administration, Finance and Control for the identification and valorization of quantitative parameters underlying the variable incentive systems and the ex-post assessment of their level of achievement.

### **b. Aims and Principles of the Remuneration Policy**

The A2A Remuneration Policy aims to:

- attract, retain and motivate people with the professional skills necessary to successfully manage the Company;
- recognize the professional merit and compliance with the Code of Ethics of the Company and integrity of conduct;
- guarantee fair conditions within the organization and competitiveness with respect to other companies of comparable sectors in terms of business and size;

- align the interests of its people to the pursuit of the priority objective of creating value for shareholders and the achievement of predetermined economic results, through the use of variable components.

In the definition of the Remuneration Policy, the Board of Directors therefore applies the following criteria:

- Remuneration consistent with responsibilities assigned and activities managed:
  - the remuneration of Directors who hold special offices (Chairman and CEO) or functions (Vice-Chairman), or members of the Board Committees, was defined considering responsibilities/powers assigned and the level of operations and the intensity of work required. For their determination, the remuneration practices of companies selected as reference panel were also analyzed;
  - the remuneration of Key Executives was also defined and updated on the basis of the “complexity” of the activities managed, evaluated by applying an internationally recognized and certified methodology, and on the level of coverage of the organizational position assigned;
  - the fixed component of the remuneration, not subject to performance conditions for disbursement, is also such to compensate the activities managed even if the variable component, if applicable, is not disbursed.
- Link between variable remuneration and corporate performance:
  - the fixed component and the variable component are properly balanced according to the strategic objectives and the Company’s risk management policy, also taking account of the sector and the characteristics of the activity in which it operates;
  - the variable incentive system provides an access mechanism that cancels or significantly reduces the bonus payable in the event of Company performance not in line with forecasts;
  - the targets assigned are predetermined, measurable and economic-financial, operational and/or productivity targets related to the Group’s performance and the achievement of the Group’s business plan;
  - maximum limits are provided for the variable component.
- Recognition of wage increases for merit in compliance with the Code of Ethics and conduct integrity:
  - the individual results achieved and the conduct to achieve them are periodically measured in order to assess any wage increases or, in the case of achieving exceptional performance on extraordinary and strategic initiatives, ad hoc bonuses;
  - adherence to conduct in compliance with the Company’s Code of Ethics and integrity of conduct are also verified and evaluated.

c. Detailed Structure of the Remuneration Policy

The structure of the Remuneration Policy for the year 2016, described in detail below, reflects the decisions made regarding the remuneration of the Board of Directors during the previous year and illustrated on June 11, 2015 to the Shareholders’ Meeting.

As mentioned in the paragraph “2016 Remuneration Policy - Summary”, in 2015, the Board of Directors approved the signing of:

- an agreement with the CEO aimed at regulating the case of early termination of the mandate with respect to the natural deadline for facts not attributable to the latter (details provided in paragraph c7);
- a non-competition agreement for the period after the conclusion of the mandate (details provided in paragraph c7).

c1. Remuneration of the members of the Board of Directors, excluding the Chairman, Vice-Chairman and CEO

The remuneration of the individual Board Directors, not vested with special offices, powers or functions, consists of:

- the fixed annual gross remuneration, approved by the Shareholders’ Meeting upon appointment, received as Board member and equal to 80,000 euro/year;
- the fixed annual gross remuneration, approved by the Board of Directors, for participation in the Board Committees, according to as indicated in table 6. Said remuneration is commensurate to the commitment required and therefore has different amounts for the Control and Risk Committee, in terms of greater commitment required, and the Chairman, in view of the role assigned for work coordination and liaison with the corporate bodies and corporate functions.

Table 6: Fixed annual gross remuneration for participation in Board Committees

Committee	Emolument for participation in Committees (euro/year)	
	Chairman	Member
Executive	No amount provided	
Control and Risks	30,000	20,000
Remuneration and Appointments	20,000	19,000
For the Territory and Sustainability	20,000	19,000

No attendance tokens are provided for meetings of the Board Committees nor, in consideration of the non-executive role, variable monetary incentive systems based on financial instruments or equity.

The remuneration for participation in Board Committees was approved in 2014 by the Board of Directors considering:

- the remuneration practices of the major companies in the FTSE MIB index;
- the method of operation of the Board Committees of the leading companies in the FTSE MIB index and Italian companies in the multi-utilities sector;
- the responsibilities assigned as well as the level of operations and the intensity of work required by the Board Committees;
- the role specificity of the Control and Risks Committee.

In resolving said treatment, the Board of Directors also considered the cost reduction principle of the new governance system.

## **c2. Remuneration of the Chairman of the Board of Directors**

The remuneration package of the Chairman of the Board of Directors includes:

- fixed annual gross remuneration, approved by the Shareholders' Meeting, received as Board member and equal to 80,000 euro/year;
- fixed annual gross remuneration, approved by the Board of Directors, for participation in the Board Committees, according to as indicated in table 6;
- fixed remuneration for the specific office of Chairman for 390,000 euro/year gross, in addition to the two amounts above.

Even for the Chairman no attendance tokens are provided for meetings of the Board Committees; moreover, repayment is provided for any remuneration received for participation, as Director, in the Boards of Directors of investees.

The remuneration package of the Chairman is completed by the provision of non-monetary benefits provided to the managerial staff of the Group (details provided in paragraph c6).

Also considering the type of non-subordinate employment contract of the Executive Chairman with the Company, the Board of Directors approved the payment by the Company of pension contributions in separate management.

The remuneration of the Chairman described above was approved in 2014 by the Board of Directors considering:

- the remuneration practices of companies with similar characteristics to A2A;
- the executive nature and the strategic importance of the Chairman;
- the responsibilities and powers attributed.

In resolving said treatment, the Board of Directors also considered the cost reduction principle of the new governance system.

### c3. Remuneration of the Vice-Chairman of the Board of Directors

The remuneration package of the Vice-Chairman of the Board of Directors includes:

- fixed annual gross remuneration, approved by the Shareholders' Meeting, received as Board member and equal to 80,000 euro/year;
- fixed annual gross remuneration, approved by the Board of Directors, for participation in the Board Committees, according to as indicated in table 6;
- a fixed fee for the responsibility of the Internal Audit of the Group for 40,000 euro/year gross, in addition to the two amounts above.

Even for the Vice-Chairman, no attendance tokens are provided for meetings of the Board Committees.

### c4. Remuneration of the Chief Executive Officer

The remuneration package of the CEO includes:

- fixed annual gross remuneration, approved by the Shareholders' Meeting, received as Board member and equal to 80,000 euro/year;
- fixed remuneration for the specific office of CEO for 620,000 euro/year gross, in addition to the two amounts above;
- annual variable remuneration linked to the achievement of short-term targets assigned annually by the Board of Directors, with a maximum payable value of 40% of the total emolument (700,000 euro=620,000 euro+80,000 euro) and therefore 280,000 euro/year.

The annual variable remuneration envisages:

- an “access gate”, based on two economic-financial indicators, which reduces or annuls the remuneration payable if the Group's economic-financial performance is not in line with the budget of the year of reference;
- four objectives:
  - EBITDA (weight 25%);
  - Industrial Cash Flow (weight 25%);
  - Strategic projects for the Group (30% weight) identified by the Board of Directors;
  - Qualitative assessment of the Board of Directors on the work of the Chief Executive Officer (weight 20%).

In addition to the “access gate”, it is required to achieve a minimum of the objectives below which the remuneration shall not be paid; upon exceeding said minimum achievement, the remuneration may vary linearly between 26.7% and 40% of the total emolument (700,000 euro) depending on the level of achievement of objectives.

The 40% of the overall emolument (280,000 euro) represents a maximum amount (“Cap”) above which, even in the presence of over-performance of the Company and the CEO, no further increase of the amount due shall be provided.

The remuneration of the CEO described above was approved by the Board of Directors in 2014 considering:

- the remuneration practices of companies with similar characteristics to A2A;
- the responsibilities and powers attributed.

In resolving said treatment, the Board of Directors also considered the cost reduction principle of the new governance system.

Even for the CEO, repayment is provided for any remuneration received for participation, as Director, in the Boards of Directors of investees.

The remuneration package of the Chief Executive Officer is completed by the provision of non-monetary benefits provided to the Executives of the Group (details provided in section c6).

Also considering the type of non-subordinate employment contract of the Chief Executive Officer with the Company, the Board of Directors approved the payment by the Company of pension contributions in separate management.

## **c5. Remuneration of Key Executives**

Based on a proposal submitted by the Remuneration and Appointments Committee, the Board of Directors defined the criteria for the identification of the organizational positions of the A2A Group with strategic responsibilities, using a standard method of analysis, recognized and certified internationally, adopted by A2A since its establishment.

The A2A Group therefore recognizes as Key Executives organizational positions with a significant impact on the Group performance and that, for proper management, require the individual to have high professional knowledge and experience, significant managerial autonomy and a strategic vision over a medium to long term time horizon.

As stated in the Remuneration Report published last year, at December 31, 2014, there were 10 organizational positions in the Group with strategic responsibilities, covered by 9 holders.

In 2015, with respect to revisions of the organizational structure, the number of organizational positions with strategic responsibilities changed, and at December 31, 2015, 9 organizational positions with strategic responsibilities were present in the Group, covered by as many holders.

The remuneration packages of Key Executives include:

- an annual fixed gross amount determined:
  - based on the role and responsibilities assigned considering the average salary levels applied to roles of comparable complexity, by national companies comparable in size;
  - based on professional specialization and technical, and managerial skills required and held;
- a variable short-term component related to individual economic-financial, operational and/or productivity targets related to the Group's performance and the achievement of the Group's business plan, with a target value of about 20% - 30% of the annual fixed gross amount.

In line with as provided for the CEO, the variable remuneration involves an “access gate”, based on two economic-financial indicators, which reduces or annuls the remuneration payable if the Group's economic-financial performance is not in line with the budget of the year of reference.

In addition to the “access gate”, it is required to achieve a minimum of the objectives below which the remuneration shall not be paid; upon exceeding said minimum achievement, the remuneration may vary linearly between 80% and 120% of the economic value at target. The 120% of the economic value at target represents a maximum amount (“Cap”) above which, even in the presence of over-performance of the Company and the Key Executive, no further increase of the amount due shall be provided.

## **c6. Non-monetary benefits**

The Directors, excluding the Chairman and Chief Executive Officer, and the members of the Board of Auditors (including the Chairman) shall receive as non-monetary benefits:

- insurance policy occupational and non-occupational injuries;
- insurance for civil liability Directors, Auditors and Executives.

Instead, the Chairman, Chief Executive Officer and Key Executives shall receive non-monetary benefits similar to those provided to the Executives of the Group:

- insurance policies (occupational and non-occupational injury; permanent disability due to illness and life);
- supplementary health coverage;
- insurance for civil liability Directors, Auditors and Executives;
- car for mixed-use and use of fuel card.

## **c7. Indemnities in the event of termination of office or termination of employment**

For non-executive Board Directors, the Chairman of the Board of Directors and the Key Executives, specific indemnities for end of term or agreements that provide indemnities in the event of termination of office, are not provided.

In the absence of specific agreements:

- the non-executive Board Directors and the Chairman of the Board of Directors are not recognized indemnities;
- for the Key Executives, linked to the Company through employment, an indemnity is provided equal to the maximum employees leaving entitlement established by the national collective agreement of reference.

As mentioned in the paragraph “2016 Remuneration Policy - Summary”, in 2015, the Board of Directors approved the signing of an agreement with the CEO aimed at regulating the case of early termination of the mandate with respect to the expiry for facts not attributable to the latter.

Said agreement provides that if the office is revoked before the natural expiration of the term, the Company shall pay to the CEO the remainder of remuneration that would have accrued until the aforementioned natural term, consisting of the fixed annual gross remuneration, received as member of the Board; of the fixed remuneration for the specific position of CEO and of the annual variable remuneration (calculated based on the annual average amount paid to the CEO until the date).

Said agreement shall not apply if the revocation is for just cause attributable to the CEO, i.e. in the event of intentional or grossly negligent conduct in performing related functions, legally ascertained with final sentence and such to irreparably harm the bond of trust with the Company.

In addition, to protect the Company’s interest, the Board of Directors has decided to enter into with the CEO a non-competition agreement to be applied upon expiry of the mandate in the absence of reappointment. Specifically, the non-competition agreement requires not to perform, for the period of six months from termination of office, activities - either personally or by proxy and in any form of work (employment or autonomous) - in favour local or national Utilities operating in Italy in competition with the Company in the production, commercialization and distribution of electricity, natural gas, heat, water and waste.



The agreement contemplates:

- the recognition of an amount equal to 50% of the fixed annual remuneration received as Director and for the specific position of CEO as well as an additional amount of 50% of the average annual variable remuneration paid in the last two years of duration of the administration relation;
- in case of breach of the agreement, the return of the amount already paid and the forfeiture of the obligation of the Company to make further payments;
- the possibility for the Company to proceed with the request for compensation for damages.

## **c8. Deferral of cash components and claw-back clauses**

To date, there are no mechanisms for deferment in the payment of the fixed or variable component.

In addition, the remuneration policy of A2A does not include ex-post correction mechanisms in the form of claw-back clauses.

## **c9. Benchmark of other companies on remuneration policies**

As outlined in paragraphs “c1”, “c2” and “c4”, the remuneration packages of the Board Directors, including the Chairman and Chief Executive Officer, were approved by the Board of Directors following the studies that considered as an important element also the benchmark with other companies on the market. In particular, consistent with the package to be defined, the study considered companies in the FTSE MIB index, in the multi-utilities sector and/or with similar characteristics to A2A on the Italian and foreign market.

Since its establishment, A2A has also adopted a standard method of analysis of organizational positions recognized and certified internationally. This methodology, which classifies the organizational positions in complexity ranges based on the evaluation of specific indicators, allows comparing roles, in terms of remuneration, with similar complexity both in the domestic market (company) and the foreign market (Italy where salary levels are provided by leading consulting companies).

In particular, A2A uses this methodology to compare the remuneration of Key Executives with the executive market in Italy.

## Section 2 – Implementation of the 2015 Remuneration Policy

The following paragraphs describe the remuneration paid in 2015 to:

- Members of the Board of Directors;
- Members of the Board of Auditors;
- Key Executives.

As described below is annexed (tables 1 and 3b) according to the standard established by Consob.

### **Members of the Board of Directors, excluding the Chief Executive Officer**

The members of the Board of Directors were paid remuneration consistent with as described in Section 1 (paragraph c1) of the 2015 Remuneration Report.

Specifically in 2015, each Board Director was paid following amounts:

- fixed annual gross remuneration, approved by the Shareholders' Meeting, received as Board member and equal to 80,000 euro/year;
- a fixed annual gross amount, approved by the Board of Directors, for participation in the Board Committees, according to the following scheme (table 11).

In addition to the above amounts, as approved by the Board of Directors, the Chairman was paid an amount of 390,000 euro for the specific office assigned while the Vice-Chairman was paid an amount of 40,000 euro for the responsibility of the Internal Audit.

Directors who resigned from office in 2015 (Mario Cocchi and Stefano Cao), who were appointed in 2015 (Giambattista Brivio and Maria Elena Cappello) or who changed Committee or role within the same Committee in 2015 (Giovanni Valotti; Stefano Pareglio and Dina Ravera), were paid pro-rata amounts for the actual period of office.

**Table 11: Fixed annual gross remuneration paid for participation in Board Committees**

Committee	Emolument for participation in Committees (€ - pro-rata amounts on the actual period of office in the event of resignation, appointment or change of committee/role in 2015).	
	Chairman	Member
<b>Executive</b>	No amount provided	
<b>Control and Risks</b>	30,000 euro/year	20,000 euro/year
<b>Remuneration and Appointments</b>	20,000 euro/year	19,000 euro/year
<b>For the Territory and Sustainability</b>	20,000 euro/year	19,000 euro/year

In accordance with the By-Laws of A2A, members of the Board of Directors were paid an amount equal to the reimbursement of expenses actually incurred by virtue of their office.

The annexed table (1a) also indicates, for Directors, the value of non-monetary benefits recognized.

### Chief Executive Officer

In 2015, the following amounts were paid to the Chief Executive Officer:

- fixed annual gross remuneration, approved by the Shareholders' Meeting, received as Board member and equal to 80,000 euro/year;
- fixed annual gross amount, approved by the Board of Directors for the specific office assigned, amounting to 620,000 euro/year.

The CEO was also paid a variable remuneration amounting to 267,773 euro for 114.76% achievement of the objectives assigned by the Board of Directors for the year 2015.

In early 2016, the Board of Directors, with the support of the Remuneration and Appointments Committee, actually verified and certified the level of achievement of the objectives assigned for the year 2015 to the Chief Executive Officer:

- EBITDA (weight 25%);
- Industrial Cash Flow (weight 25%);
- Strategic projects for the Group (30% weight) identified by the Board of Directors;
- Qualitative assessment of the Board of Directors on the work of the Chief Executive Officer (weight 20%);

calculating the resulting % of overall achievement.

The annexed table (1a) also indicates, for the CEO, the value of non-monetary benefits recognized.

### Members of the Board of Auditors

The members of the Board of Auditors were paid remuneration consistent with as described in Section 1 of the 2015 Remuneration Report.

Specifically in 2015, the following were paid:

- to the Chairman, a fixed annual gross remuneration approved by the Shareholders' Meeting amounting to 100,000 euro/year;
- to the Standing Auditors, a fixed annual gross remuneration approved by the Shareholders' Meeting amounting to 70,000 euro/year;

Finally, in accordance with the By-Laws of A2A, members of the Board of Auditors were paid an amount equal to the reimbursement of expenses actually incurred by virtue of their office.

The annexed table (1b) also indicates, for the Chairman and for the Standing Auditors, the value of non-monetary benefits recognized.

### Key Executives

In 2015, by way of a fixed component, Key Executives were paid a total of 2,123,448 euro; the total of the variable component of the remuneration totalled 653,000 euro, with respect to an average achievement of the objectives assigned of 105.00%.

Annex 1 – Glossary

To facilitate the understanding and reading of the Remuneration Report, a glossary of some recurring terms and acronyms/abbreviations used is provided below.

Terms and Abbreviations	Meaning
Administrators / Directors / Executive Members of the Board of Directors	Indicates the members of the Board of Directors who were assigned operational or management proxies and who were assigned special duties by the Board of Directors
Administrators / Directors / Non-Executive Members of the Board of Directors	Indicates the members of the Board of Directors who were not assigned operational or management proxies and who were not assigned special duties by the Board of Directors
Non-monetary benefits	Indicates the non-monetary elements included in the remuneration aimed at increasing individual and family well-being of workers in economic and social terms
Access Gate	Indicates an economic-financial performance objective of A2A, the achievement of which represents the threshold for access to the variable incentive system. If said objective is not reached, the variable amount shall not be paid (or is significantly reduced) regardless of the level of achievement of the objectives assigned individually
Corporate Governance Code for listed companies of Borsa Italiana S.p.A. ("Corporate Governance Code")	Indicates the Corporate Governance Code of listed companies promoted by the Italian Stock Exchange, as amended and supplemented in July 2015. The Code contains corporate governance principles for companies listed on regulated markets managed by Borsa Italiana S.p.A. and has recommendatory value for all listed companies that adhere to it. The Code is drafted based on the "comply or explain" model, which means that the Code does not necessarily have to be implemented by adhering listed companies, but their failure to adhere, even if only partial, must necessarily be adequately substantiated by each company in the annual corporate governance report in accordance with art. 123-bis, paragraph 2, lett. a) of Legislative Decree February 24, 1998, no. 58
Remuneration and Appointments Committee ("Committee")	Refers to the Remuneration and Appointments Committee of A2A S.p.A. established by the Board of Directors on June 17, 2014. The Remuneration and Appointments Committee has the task of assisting the Board of Directors with investigative, advisory and proposal functions regarding remuneration and appointments
Board of Directors ("BoD")	Refers to the Board of Directors of A2A S.p.A. appointed by the Shareholders' Meeting on June 13, 2014
Executives with Strategic Responsibilities ("Key Executives")	Refers to the managers, identified according to the criteria established by the Board of Directors upon the proposal of the Appointments and Remuneration Committee, who have the power and responsibility, directly or indirectly, of the planning, management and control of the Company's activities
EBITDA	Profitability indicator of the company's income from operations therefore before interest, taxes, depreciation and amortization of assets
Amount/economic value at target	Refers to the remuneration amount, related to a variable incentive system, which shall be paid upon achievement of 100% of the targets assigned
Non-competition agreement	As defined in article 2125 of the Civil Code, it is "The agreement that limits the conduct of the activity of the employee, for the time following termination of the contract"
Pay - min	Indicates the % ratio between the fixed remuneration, the variable short-term remuneration and the long-term variable remuneration paid at target level
Short/long-term incentive system	Indicates a variable incentive plan over an annual/multi-year time horizon (3/5 years) that recognizes assignees a monetary bonus based on the results achieved on specific objectives defined "ex ante" and assigned individually
Consolidated Finance Act (CFA)	Legislative Decree February 24, 1998 no. 58 as amended and supplemented

Annex 2 - References between the Remuneration Report and the information required by Consob

The table below provides an indication of the chapters/sections of the Report which outline the information required by Consob, according to resolution no.18049.

Information Required by Consob - Resolution no. 18049 - Scheme 7-bis	Reference
Bodies or parties involved in the preparation and approval of the remuneration policy, specifying the respective roles, and bodies or parties responsible for the proper implementation of said policy	Paragraph a
The possible intervention of a remuneration committee or other committee competent on the matter, describing the composition (with the distinction between non-executive and independent directors), the competences and methods of operation	Paragraph a
The name of the independent experts that may be involved in the preparation of the remuneration policy	Paragraph a
Objectives pursued with the remuneration policy, the principles that underlie it, and any changes in the remuneration policy with respect to the previous financial year	Paragraph b
Description of the policies of fixed and variable remuneration components, with particular regard to the indication of the relative weight within the overall remuneration and distinguishing between short and medium-long term variable components	Paragraphs from c1 to c5
The policy followed regarding non-monetary benefits	Paragraph c6
With reference to the variable components, description of performance objectives under which they are assigned, distinguishing between short and medium-long term variable components, and information on the link between the change in results and the change in the remuneration	Paragraphs from c1 to c5
The criteria used for the assessment of the performance targets at the base of the allocation of shares, options, other financial instruments or other variable components of remuneration	
Information aimed at highlighting the consistency of the remuneration policy with the pursuit of the long-term interests of the company and with the policy of risk management, where formalized	
Terms of vesting of rights (vesting period), any deferred payment systems, indicating the periods of deferment and the criteria used to determine said periods and, if required, ex post correction mechanisms	
Information on the possibility of introducing clauses for maintaining in the portfolio financial instruments after their acquisition, indicating the periods of retention and the criteria used to determine said periods	Paragraph c7
Policy related to the treatment provided in the event of the resignation or termination of employment, specifying what circumstances determine the onset of the right and the possible link between these processes and the performance of the company	
Information on the presence of any insurance coverage, social security or pension, other than mandatory ones	Paragraph c6
The remuneration policy possibly followed with reference to: (i) independent directors, (ii) participation in committees and (iii) the conduct of special offices (Chairman, Vice-Chairman, etc.)	Paragraphs from c1 to c4
If the remuneration policy was defined using the remuneration policies of other companies as a reference, and if so, the criteria used for the selection of said companies	Paragraph c9

**TABLE 1: Compensation paid to members of administration and control bodies, general managers and other key executives**

1/a - Compensation to the Board of Directors (amounts in €)

(A) Surname and Name	(B) Office	(C) Period for which the office was covered		(D) End of term	(1) Fixed compensation	
		from	to			
Valotti Giovanni	Chairman	01.01.15	12.31.15	12.31.16	403,309 (*)	
	Director	01.01.15	12.31.15	12.31.16	80,000	
Comboni Giovanni	Vice-Chairman	01.01.15	12.31.15	12.31.16	40,000	
	Director	01.01.15	12.31.15	12.31.16	80,000	
Camerano Luca Valerio	CEO	01.01.15	12.31.15	12.31.16	635,469 (*)	
	Director	01.01.15	12.31.15	12.31.16	80,000	
Bonomo Antonio	Director	01.01.15	12.31.15	12.31.16	80,000	
Castelli Michaela	Director	01.01.15	12.31.15	12.31.16	80,000	
Ceretti Elisabetta	Director	01.01.15	12.31.15	12.31.16	80,000	
De Paoli Luigi	Director	01.01.15	12.31.15	12.31.16	80,000	
Di Mezza Fausto	Director	01.01.15	12.31.15	12.31.16	80,000	
Pareglio Stefano	Director	01.01.15	12.31.15	12.31.16	80,000	
Ravera Dina	Director	01.01.15	12.31.15	12.31.16	80,000	
Brivio Giambattista	Director	04.09.15	12.31.15	12.31.16	58,301	
Cappello Maria Elena	Director	06.11.15	12.31.15	12.31.16	44,493	
Cocchi Mario	Director	01.01.15	03.27.15	03.27.15	18,849	
Cao Stefano	Director	01.01.15	04.29.15	04.29.15	26,082	
(I) Compensation in the company drafting the Financial Statements					2,026,504	
(II) Compensation from Subsidiaries and Associates						
(III) TOTAL					2,026,504	

(\*) Includes grossed up expenses.  
Camerano Luca Valerio also received an amount of € 61,147 for participation, as a member, in the Board of Directors of subsidiaries and associates. However, said amount was fully paid to the company of belonging.

	(2)	(3)		(4)	(5)	(6)	(7)	(8)
	Compensation for participation in Committees (**)	Non-equity variable compensation		Non-monetary benefits	Other compensation	TOTAL	Fair value of equity compensation	Indemnity for end of term or employment termination
		Bonuses and other incentives	Participation in the profits					
	19,866 (1)			11,055		434,230		
						80,000		
	20,000 (2)			374		60,374		
						80,000		
	(3)	267,773		10,470		913,712		
						80,000		
	19,000 (4)			374		99,374		
	30,000 (5)			374		110,374		
	19,000 (6)			374		99,374		
	19,000 (7)			374		99,374		
	20,000 (8)			374		100,374		
	19,134 (9)			374		99,509		
	19,474 (10)			374		99,848		
	10,521 (11)			273		69,095		
				208		44,701		
	4,712 (12)			88		23,650		
	6,195 (13)			122		32,399		
	206,901	267,773		25,212		2,526,390		
	206,901	267,773		25,212		2,526,390		



1/b - Compensation to the Board of Auditors (amounts in €)

(A) Surname and Name	(B) Office	(C) Period for which the office was covered		(D) End of term	(1) Fixed compensation	
		from	to			
<b>Sarubbi Giacinto</b>	Chairman	01.01.15	12.31.15	12.31.16	100,000	
<b>Casadio Cristina</b>	Standing Auditor	01.01.15	12.31.15	12.31.16	70,000	
<b>Rosini Norberto</b>	Standing Auditor	01.01.15	12.31.15	12.31.16	70,000	
(I) Compensation in the company drafting the Financial Statements					240,000	
(II) Compensation from Subsidiaries and Associates						
<b>(III) TOTAL</b>					<b>240,000</b>	

1/c - Compensation to Key Executives (amounts in €)

(A)	(B) Office	(C) Period for which the office was covered		(D) End of term	(1) Fixed compensation	
		from	to			
<b>Key Executives (9 holders)</b>	-	01.01.15	12.31.15	-	2,123,448	

(\*\*) Breakdown Compensation for participation in Committees (amounts in €):

(1) Of which:		(8) Of which:	
EXECUTIVE COMMITTEE	-	CONTROL AND RISKS COMMITTEE	20,000
COMMITTEE FOR THE TERRITORY (until 11.12.15)	17,315	(9) Of which:	
COMMITTEE FOR THE TERRITORY AND SUSTAINABILITY (since 11.13.15)	2,551	COMMITTEE FOR THE TERRITORY (until 11.12.15)	16,449
(2) Of which:		COMMITTEE FOR THE TERRITORY AND SUSTAINABILITY (since 11.13.15)	2,685
EXECUTIVE COMMITTEE	-	(10) Of which:	
REMUNERATION AND APPOINTMENTS COMMITTEE	20,000	CONTROL AND RISKS COMMITTEE (until 06.22.15)	9,479
(3) Of which:		REMUNERATION AND APPOINTMENTS COMMITTEE (since 06.23.15)	9,995
EXECUTIVE COMMITTEE	-	(11) Of which:	
(4) Of which:		CONTROL AND RISKS COMMITTEE (since 06.22.15)	10,521
REMUNERATION AND APPOINTMENTS COMMITTEE	19,000	(12) Of which:	
(5) Of which:		CONTROL AND RISKS COMMITTEE (until 03.27.15)	4,712
CONTROL AND RISKS COMMITTEE	30,000	(13) Of which:	
(6) Of which:		REMUNERATION AND APPOINTMENTS COMMITTEE (UNTIL 04.29.15)	6,195
COMMITTEE FOR THE TERRITORY AND SUSTAINABILITY	19,000		
(7) Of which:			
COMMITTEE FOR THE TERRITORY AND SUSTAINABILITY	19,000		

	(2)	(3)		(4)	(5)	(6)	(7)	(8)
	Compensation for participation in Committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	TOTAL	Fair value of equity compensation	Indemnity for end of term or employment termination
		Bonuses and other incentives	Participation in the profits					
				474		100,474		
				374		70,374		
				374		70,374		
				1,223		241,223		
				1,223		241,223		

	(2)	(3)		(4)	(5)	(6)	(7)	(8)
	Compensation for participation in Committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	TOTAL	Fair value of equity compensation	Indemnity for end of term or employment termination
		Bonuses and other incentives	Participation in the profits					
	-	653,000		130,912		2,907,360		

**TABLE 3B: Monetary incentive plans in favour of members of the Administrative Body, General Managers and other Key Executives**

(A)	(B)	(1)	(2)			(3)			(4)
	Office	Plan	Bonuses in the year			Bonuses in previous years			Other Bonuses
			(A) Payable / Paid	(B) Deferred	(C) Deferral period	(A) No longer payable	(B) Payable / Paid	(C) Deferred	
<b>Camerano Luca Valerio</b>	Chief Executive Officer								
(I) Compensation in the company drafting the Financial Statements		Plan STI 2015	267,773						
(II) Compensation from Subsidiaries and Associates			-						
<b>(III) TOTAL</b>			<b>267,773</b>						
<b>Key Managers</b>	-								
(I) Compensation in the company drafting the Financial Statements		Plan STI 2015	653,000						
(II) Compensation from Subsidiaries and Associates			-						
<b>(III) TOTAL</b>			<b>653,000</b>						
<b>TOTAL</b>			<b>920,773</b>						

**Scheme 7-ter: Scheme related to information on the shareholdings of members of the Management and Control bodies, General Managers and other Key Managers.**

The following tables outline the shareholdings of all parties that in 2015 held, even for a fraction of the year, offices as members of the Management and Control Bodies, General Director or Key Manager.

Table 1: Shareholdings of members of the Management and Control Bodies and General Managers

Surname and Name	Office	Investee company	Number of shares held at the end of fy 2014 (or at the date of appointment)	Number of shares purchased in fy 2015	Number of shares sold in fy 2015	Number of shares held at the end of fy 2015 (or at the date of termination of the office if before)
Bonomo Antonio	Director of the Board	A2A S.p.A.	65,000	=	=	65,000
Cocchi Mario	Director of the Board	A2A S.p.A.	1,300,000	=	=	1,300,000

Table 2: Shareholdings of other Key Executives

Number of key managers	Investee company	Number of shares held at the end of fy 2014 (or at the date of appointment)	Number of shares purchased in fy 2015	Number of shares sold in fy 2015	Number of shares held at the end of fy 2015 (or at the date of termination of the office if before)
9 positions	A2A S.p.A.	75,000	=	=	75,000