

BYLAWS
of "COMPAGNIA VALDOSTANZA DELLE ACQUE" -
COMPAGNIE VALDOTAINE DES EAUX S.p.A."
abbreviated as "CVA S.p.A."

TITLE I

Incorporation - Name - Registered Office and Duration of the Company

Article 1

- 1.1 The Company's name is "Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux S.p.A.", abbreviated as "C.V.A. S.p.A.". The Company is governed by the provisions of these bylaws.

Article 2

- 2.1 The Company has its registered office in Châtillon (AO).
- 2.2 The administrative body is entitled to modify or close, both in Italy and abroad, secondary offices, branches, subsidiaries, local offices, agencies or units however named.
- 2.3 The domicile of shareholders, directors, statutory auditors and accounts auditors - for their relations with the Company - is the domicile which results as officially filed at the registered office of the Company and shown in the Company's books.
- 2.4 The Company may set up a special book, with the obligation for the administrative body to update it promptly following communications received for this purpose.

Article 3

- 3.1 The duration of the Company shall be from the date of the deed of incorporation until 31 December 2050 and may be extended by a resolution of the Extraordinary Shareholders' Meeting.

TITLE II

Corporate Purpose

Article 4

4.1 The Company, in compliance with the applicable laws in the sectors referred to in points a) and b) below, has as its corporate purpose the direct or indirect exercise, through subsidiaries or affiliates, in respect of which it performs the function of strategic guidance and coordination of both the industrial structure and the activities carried out by them, of the following activities:

- a) in the electric energy sector : production activities including the renting of plants and the provision of related services, import and export, distribution and sale;
- b) in the areas of networked facilities or otherwise providing urban services on the territory: district heating and telecommunications;
- c) in the sectors referred to in points a) and b) above: performance of activities including, planning , construction, maintenance and operation of plants; production and sale of equipment; research, consulting and assistance activities; as well as acquisition, sale, marketing and trading of goods and services.

The Company may also acquire, sell and manage public lighting points and carry out real estate transactions (purchase, sale, exchange, lease, administration and management) relating to assets owned by the Company or connected with their development.

4.2 The Company may carry out investments, real estates, commercial, industrial and financial transactions, including interventions in the municipalities of Valle d'Aosta, only for the accomplishment of the corporate purpose. The Company may acquire shareholdings in other companies and undertakings, both Italian and foreign, which carry out activities similar, akin or connected to its own or those of the parties in which it has shareholdings; it may also contract loans and resort to forms of financing and grant appropriate movable, immovable and personal security, including sureties (*fideiussioni*), by way of security of its own obligations or those of Companies or enterprises in which it has shareholdings.

For the purposes of energy saving and efficiency, the Company may directly, or indirectly through subsidiaries or affiliates, either on its own behalf or on behalf of third parties, invest as an ESCO (Energy Service Company) and, in particular, provide integrated energy services for the analysis of energy consumption, the assessment of the possibilities of intervention for the increase of energy efficiency,

the financing (in whole or in part) and implementation of such actions, the operation and maintenance of the plants, and risk management.

4.3 The Company may also carry out directly, in the interest of its subsidiaries or affiliates, any activity connected with or ancillary to its own business or that of its subsidiaries or affiliates. To this end, the Company provides for, in particular:

- coordination of the managerial resources of the subsidiaries or affiliates, to be implemented also through suitable training actions;
- the administrative and financial coordination of the subsidiaries or affiliates, carrying out in their favour all appropriate activities, including the granting of loans, as well as, more generally, the establishment and management of their administrative and financial activities;
- the provision of other services in favour of the subsidiaries or affiliates in areas of specific corporate interest.

TITLE III

Share capital - Shares - Withdrawal - Bonds

Article 5

5.1 The share capital amounts to EUR 395,000,000.00, divided into 395,000,000 ordinary shares with a nominal value of EUR 1 each.

Article 6

- 6.1 Shares are indivisible and each one gives the right to one vote.
- 6.2 Ownership of the share shall imply adherence to these bylaws.

Article 7

7.1 In the case of co-ownership of a share, the rights of the co-owners must be exercised by a single person or by the agent of a common representative appointed by them.

Article 8

- 8.1 The Shareholders' Meeting may approve share capital increases, establishing terms, conditions, and procedures thereof. In case of share capital increase, assets in kind and receivables may be assigned, only if required by the resolution for the share capital increase.
- 8.2 In the event of share capital increase against payment, the provisions of Article 2441 of the Italian Civil Code apply.
- 8.3 The Company may issue, in accordance with the legislation in force from time to time, special categories of shares equipped with different rights, also with regard to the incidence of losses, by determining their content with the resolution approving the issue.

Article 9

- 9.1 Payments on the shares are requested by the administrative body in one or more instalments, determining, in case of share capital increase against payment, the interest rate on the delayed payments, without prejudice to the provisions of article 2344 of the Italian Civil Code.

Article 10

- 10.1 The Shareholder may withdraw from the Company, for all or part of its shares, in the cases provided for in Article 2437, paragraph 1, of the Italian Civil Code.
- 10.2 The right of withdrawal is excluded in the case of resolutions concerning the extension of the term or the introduction or removal of limits on the circulation of shares.
- 10.3 In the event of withdrawal, to be exercised on the basis of the conditions set out in Article 2437-*bis* of the Italian Civil Code, the value of the shares to be liquidated will be equal to the portion, proportionate to the shareholding at stake, of the Company's net assets (*patrimonio netto*) as resulting from the latest approved financial statements at the date of exercise of the right of withdrawal, net of any reserves other than those formed from profits or contributions from Shareholders, as well as the amount of any distributions of net assets that may have occurred between the date of the latest approved financial statements and the date of liquidation of the withdrawal.

The procedure for the liquidation of the shares of the withdrawing Shareholder is regulated on the basis of the provisions of Article 2437-*quater* of the Italian Civil Code.

Article 11

- 11.1 Loans with the right to repayment of the amount paid in may be granted by Shareholders, even if not proportionate to their respective shareholdings in the share capital, in accordance with the procedures and limits set out in the regulations in force from time to time regarding the collection of savings.
- 11.2 By resolution of the Shareholders' Meeting, the Company may issue bonds, including bonds convertible into shares or with warrants, in accordance with the provisions of law.

TITLE IV

Shareholders' Meeting

Article 12

- 12.1 The Shareholders' Meeting, duly established, represents all shareholders and its resolutions, adopted in accordance with the law and these bylaws, are binding on all shareholders, even if not attending, abstaining or dissenting.
- 12.2 The Shareholders' Meeting may be ordinary or extraordinary in accordance with the law. It may be convened at the Company's registered office or at any other place in Italy.
- 12.3 The Ordinary Shareholders' Meeting must be convened at least once a year, for approval of the financial statements, within 120 days of the end of the financial year, or within 180 days, if the conditions set forth in Article 2364 of the Italian Civil Code are met.
- 12.4 The Shareholders' Meeting is convened whenever required by law or when the administrative body deems it appropriate, or when requested by the Shareholders pursuant to and in accordance with Article 2367 of the Italian Civil Code.
- 12.5 Ordinary and Extraordinary Shareholders' Meetings are called by the administrative body by means of a notice including the date, time and place of the meeting and the agenda to be discussed, sent to the Shareholders at their domicile, by means that

ensure evidence of occurred receipt at least fifteen days before the date set for the meeting.

The notice of the Shareholders' Meeting may specify the date for the second call, which may not take place on the same day as the first call.

If the date for the second call is not indicated in the notice, the Shareholders' Meeting must be reconvened within thirty days of the date of the first call by notice to be sent to the Shareholders, at their domiciles indicated in the Shareholders' ledger (*libro soci*) by means that ensure evidence of occurred receipt at least eight days before the date set for the meeting.

However, even in the absence of these formalities, the Shareholders' Meeting shall be considered duly established when the entire share capital is present or represented and the majority of the members of the administrative and control bodies are attending. In this case, each of the participants may oppose the discussion of the matters on which they do not consider themselves sufficiently informed.

Article 13

- 13.1 Shareholders will be validly admitted to the Shareholders' Meeting upon presentation of the securities representing the shares or other means evidencing ownership of the shares indicated in the notice of call.
- 13.2 The Chairman of the Shareholders' Meeting verifies the regularity of the , ascertains the identity and entitlement of those present, regulates its proceedings and ascertains the results of voting.
- 13.3 If provided in the notice of call, intervention in the Shareholders' Meeting shall be permitted, in accordance with the procedures specified therein, also by means of telecommunications, including in several adjacent or distant places, audio/video linked, in a manner to be noted in the minutes.

In this case, Shareholders who have complied with the formalities set out in Article 13.1 of these bylaws will be considered to be present; however, representation by proxy will not be permitted and the Chairman of the Meeting will decide on the procedure to be followed for the scrutiny of the votes.

- 13.4 The Shareholders' Meeting must be conducted in such a way that all those who have the right to attend thereat can be aware of the events in real time, freely form their own opinion and freely express their vote in a timely manner.
- 13.5 The procedures in which the Shareholders' Meeting is conducted must not conflict with the need for correct and complete recording of the proceedings.
- 13.6 The constitutive quorum shall be verified at the beginning of the Shareholders' Meeting and before each vote. Lack of a quorum shall prevent the voting from taking place. If the constitutive quorum is not met after the Shareholders' Meeting has been validly established, the Chairman shall declare the Shareholders' Meeting dissolved. Resolutions passed until the quorum is no longer met shall remain valid and shall become effective in accordance with the law. A new Shareholders' Meeting must be called to deal with the other items on the agenda, even if the constitutive quorum is no longer met during a Shareholders' Meeting in first call.

Article 14

- 14.1 Any shareholder who has the right to attend at the Shareholders' Meeting may be represented at the Meeting by an individual by means of a written proxy.
- 14.2 The Chairman of the Shareholders' Meeting shall ascertain the validity of the individual proxies and, in general, the right to participate in the Shareholders' Meeting. The participating shareholder or its representative must demonstrate to the Chairman of the Shareholders' Meeting their personal identity as well as their right to participate and vote.

Article 15

- 15.1 The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in his absence, by the Deputy Chairman if appointed, or by the Sole Director. In case of absence, the Shareholders' Meeting will be chaired by the person appointed by the majority of the attending Shareholders.
- 15.2 On recommendation of the Chairman the Shareholders' Meeting appoints a secretary, who may or may not be a shareholder, and whose presence is not necessary when the minutes are drawn up by a notary, and, if deemed appropriate, it also appoints two scrutineers among the attending shareholders.

- 15.3 The minutes of the Shareholders' Meetings shall be drawn up and signed by the Chairman and the Secretary. The minutes are drawn up by a Notary in the case of an Extraordinary Shareholders' Meeting and in any other case in which the Chairman deems it appropriate.

Article 16

- 16.1 Each share gives the right to one vote. Resolutions of the Ordinary and Extraordinary Shareholders' Meetings are valid, both in first and second call, if adopted with the attendance and majorities established by articles 2368 and 2369 of the Italian Civil Code.
- 16.2 The Ordinary Shareholders' Meeting resolves on all matters within its competence established by law.

TITLE V

Management

Article 17

- 17.1 The management of the company is entrusted to a Sole Director or to a Board of Directors composed of three or five members.
- 17.2 The administrative body remains in charge for three years from the date of the Shareholders' Meeting called to approve the financial statements for the last year of office. The expiry is effective as soon as the administrative body is reestablished; reestablishment takes place when the administrative body accepts the office.
- 17.3 In case of a collective body, if one or more Directors cease to serve during the course of the financial year, the provisions of article 2386 of the Italian Civil Code shall apply. If the majority of Directors is missing, the entire Board shall be deemed to have resigned and the Shareholders' Meeting must be convened without delay by the Directors to reestablish the Board.
- 17.4 The Board of Directors of the Company is appointed in compliance with the rules on equal access to management and control bodies in companies controlled by public administrations, as set out in Presidential Decree No. 251 of 30 November 2012, if the Company is required to apply the aforementioned rules at the date of appointment.

- 17.5 In any case, the appointment of the administrative body must take place in compliance with the mandatory regulations in force from time to time on the composition of corporate bodies.

Article 18

- 18.1 In case of a collective body, the Board, if the Shareholders' Meeting has not done so, shall elect a Chairman among its members; it may also elect a Deputy Chairman, provided that the office itself is attributed exclusively as a means of identifying the Chairman's substitute in the event of absence or impediment, without recognition of additional remuneration.
- 18.2 In the event of the absence or impediment of the Chairman, the Deputy Chairman appointed for this purpose by the Board of Directors or, in the absence of such appointment, the most senior in office or, in the event of equal seniority, the oldest in age, shall replace it.
- The Board of Directors may also appoint a Chief Executive Officer, establishing its duties and powers.
- If authorized in advance by the Shareholders' Meeting, the Board of Directors may grant proxies to the Chairman.
- 18.3 The Board, upon proposal of the Chairman, appoints a Secretary, chosen also out of its members.

Article 19

- 19.1 In case of a collective body, the Board of Directors shall define the procedure in which the meeting is to be called. It must be made by means that ensure evidence of occurred receipt at least 3 (three) days before the date set for the meeting; this term may be reduced to 24 hours in cases of urgency; evidence of occurred receipt at the domicile established in accordance with article 2.3 must in any case be ensured, despite of the formality performed.
- 19.2 The Board of Directors is convened and meets, in the place indicated in the notice of call, whenever the Chairman, or whoever on its behalf, deems it necessary or appropriate. The Board must also be convened when requested by the majority of Directors or by the Board of Statutory Auditors, indicating the items to be discussed.

In this case, the Chairman, or whoever on its behalf, must act accordingly, scheduling the meeting within 10 days of the request. If the Board is not convened within this period or does not pass a resolution due to lack of due establishment or meeting within 30 days, the decision on the matters indicated must be referred to the Shareholders' Meeting if requested by at least two Directors - or one if the Board is composed of three members. The Shareholders' Meeting shall be called without delay by the Board of Directors or, failing that, by the Board of Statutory Auditors.

19.3 Meetings may be held by videoconference or audioconference if this is specified in the notice of meeting.

The essential condition for the validity of the meeting by videoconference or audioconference is that all the participants can be identified and that they are able to follow the discussion, intervene in real time in the discussion of the items on the agenda, take part in the vote, view and receive documents and be able to transmit them.

If these conditions are met, the meeting is considered to be held in the place where the Chairman is located and where the Secretary must also be located, so that the minutes can be drawn up and signed.

19.4 The Board of Directors is considered duly established, even if not convened in accordance with the above provisions, when all the directors and effective statutory auditors are attending.

Article 20

20.1 In case of a collective body, the actual attendance of the majority of its members in office is required for the resolutions of the Board of Directors to be valid. Resolutions are adopted with the favourable vote of the majority of the attending members. Directors who abstain or who declare themselves to be in conflict of interest are not included in the calculation of the majority. In the event of a tie, the vote expressed by the person chairing the meeting will be decisive.

The manner of expressing the vote, on the understanding that it must in any case be a method that allows the identification of those who vote against or abstain, is decided with the favourable vote of the majority of the attending directors.

- 20.2 The resolutions of the Board of Directors are recorded in minutes, which are signed by the person chairing the meeting and by the Secretary and transcribed in a special book kept in accordance with the law.
- 20.3 Copies and extracts of the minutes shall be deemed as fully authentic if signed by the Chairman of the meeting and the Secretary.

Article 21

- 21.1 The administrative body is vested with the broadest powers for the ordinary and extraordinary management of the Company, with the power to carry out all the actions it deems appropriate for the implementation and achievement of the corporate purposes, excluding only those that the law and these bylaws reserve to or make subject to the authorisation of the Shareholders' Meeting.
- 21.2 The administrative body is also competent for resolutions concerning:
- the establishment and closure of secondary offices as regulated in Article 2.2;
 - the indication of which directors represent the company;
 - the power to appoint the General Manager, with attribution of the related powers, including legal representation of the Company, within the limits of the powers conferred;
 - the compliance of these bylaws with the regulatory provisions;
 - the transfer of the registered office to another municipality within the territory of the Autonomous Region of Valle d'Aosta.
- 21.3 In case of a collective body, the Board of Directors may delegate, within the limits of article 2381 of the Italian Civil Code, its powers to one of its members, by determining the limits of the delegation.
- 21.4 On the occasion of meetings and at least once every six months, the Board of Directors and the Board of Statutory Auditors shall be informed by the Chief Executive Officer about the trend of the management and the activities carried out by the Company and its subsidiaries, the its predictable development, the most significant transactions from an economic, financial and assets-related perspective, with special emphasis on transactions in which the Directors have a personal interest or an interest on behalf of third parties or which are influenced by any party exercising management and

coordination activities. In the absence of the appointment of a Chief Executive Officer, it will be the Board of Directors, on the occasion of meetings and at least once every six months, to provide this information to the Board of Statutory Auditors.

Article 22

- 22.1 The Sole Director, the Chairman of the Board of Directors and, if he is prevented from doing so, the Deputy Chairman, if appointed, as well as, within the scope of the representations granted and the powers delegated thereto, the Chief Executive Officer, represent the Company *vis-à-vis* third parties with signing authority, including for the execution, in the case of a collective body, of all resolutions passed by the Board of Directors, unless otherwise resolved. They may also issue *ad negotia* powers of attorney for this purpose.
- 22.2 The signature of the Deputy Chairman is the proof before third parties of the absence or impediment of the Chairman.
- 22.3 The Chief Executive Officer, the Chairman of the Board of Directors, the Deputy Chairman and, within the scope of the powers delegated to him, the Chief Executive Officer represent the Company in legal proceedings, with the power to file judicial and administrative actions and petitions at any jurisdictional level and also for revocation and cassation proceedings, and to appoint attorneys, defenders and consultants for this purpose and join as a civil plaintiff (*parte civile*).

Article 23

- 23.1 Members of the administrative body are entitled to reimbursement of expenses incurred in connection with their office. Members of the administrative body may be attributed a remuneration determined by the Shareholders' Meeting. The Ordinary Shareholders' Meeting determines the maximum overall remuneration attributed to directors, with the power to establish the maximum portion of shares attributable to directors holding particular offices.
- 23.2 It is forbidden to pay to the members of the administrative body, attendance fees or performance bonuses resolved after the performance of the activity, and severances.

Board of Statutory Auditors and statutory audit

Article 24

- 24.1 The Board of Statutory Auditors consists of three effective members and two deputy members.
- 24.2 The Shareholders' Meeting that appoints the Statutory Auditors elects the Chairman of the Board of Statutory Auditors and determines the fees payable to the Chairman and the other effective Statutory Auditors.
- 24.3 The Statutory Auditors, appointed and operating in accordance with the law, remain in office for three financial years expiring on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their office and may be re-elected.
- 24.4 The Board of Statutory Auditors is appointed in compliance with the rules on equal access to management and control bodies in companies controlled by public administrations, as set out in Presidential Decree 251 of 30 November 2012, if the Company is required to apply the aforementioned rules at the date of appointment.
- 24.5 In any case, the members of the Board of Statutory Auditors must be appointed in compliance with the mandatory regulations in force from time to time on the composition of corporate bodies.
- 24.6 It is forbidden to pay to the members of the Board of Statutory Auditors any attendance fees or performance bonuses resolved after the performance of the activity, or severances.

Article 25

- 25.1 The statutory audit is carried out by an auditing company, appointed and operating in accordance with the law.
- 25.2 The statutory audit activity is recorded in a specific book kept at the Company's administrative offices.

Article 25a

- 25 *BIS*.1 It is forbidden to set up bodies other than those provided for by the general rules on companies.

TITLE VII

Financial statements and profits

Article 26

- 26.1 The Company's financial year ends on 31 December each year.
- 26.2 At the end of each financial year, the administrative body shall, in accordance with the times and procedures provided by law and in any case no later than the times indicated in article 12.3 above, draw up the financial statements to be submitted to the Shareholders' Meeting for approval.
- 26.3 A sum corresponding to at least 5% of the net annual profits reported in the financial statements must be deducted from the net annual profits in order to constitute the legal reserve, until the latter has reached one fifth of the share capital. The remaining profit shall be allocated in accordance with the resolutions of the Ordinary Shareholders' Meeting.
- 26.4 Payment of dividends will be performed in the manner prescribed by the Shareholders' Meeting from time to time.
- 26.5 Dividends not collected within five years of the date on which they become due and payable shall be forfeited in favour of the Company and shall be directly allocated to reserves.

TITLE VIII

Dissolution and winding up of the Company

Article 27

- 27.1 In the event of dissolution of the Company at any time and for any reason, the Extraordinary Shareholders' Meeting shall determine the manner of winding up, by appointing one or more liquidators and determining their powers and remuneration.
- 27.2 The winding-up of the Company shall take place in the cases and according to the provisions of the law.

TITLE IX

Disputes

Article 28

28.1 Any dispute arising between the Shareholders or between the Shareholders and the Company, the administrative body and the winding-up body or between such bodies or the members of such bodies or between some of such persons or bodies, concerning available rights related to the corporate relation, with the exception of those in which the law provides for the compulsory intervention of the Public Prosecutor (*Pubblico Ministero*), shall be submitted to the judgement of an arbitrator appointed by the President of the Association of Accountants of Aosta, who shall perform the appointment within 30 days from the request made by the most diligent party. Should the appointed party fail to do so within the term provided, the appointment will be requested to the President of the Court of Aosta upon request made by the most diligent party.

The place of arbitration shall be at the domicile of the arbitrator.

The arbitration procedure thus established shall be of a ritual nature and shall be governed by articles 806 et seq. of the Italian Code of Civil Procedure.

The decision of the arbitrator shall be pronounced as a matter of law and shall constitute a judgment between the parties.

The costs of the arbitrator shall be borne by the losing party unless the arbitrator determines otherwise.

28.2 Any dispute arising from or in connection with the Company's business and the interpretation or execution of these by-laws and which cannot be submitted to arbitration shall be settled by the Court of Aosta.

TITLE X

Reference to legislation

Article 29

29.1 For anything not specifically contemplated in these by-laws, reference shall be made to the provisions of the Italian Civil Code and other applicable laws.