

SUPPLEMENT NUMBER 1 DATED 2 SEPTEMBER 2020 TO THE BASE PROSPECTUS DATED 1 JULY 2020



ERG S.p.A.

(incorporated in the Republic of Italy as a joint stock company)

€2,000,000,000

Euro Medium Term Note Programme

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus dated 1 July 2020 (the "**Base Prospectus**") prepared by ERG S.p.A. (the "**Issuer**") in connection with its Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €2,000,000,000 in aggregate principal amount of notes ("**Notes**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved, within the meaning of Art. 23(1) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as a base prospectus supplement issued in compliance with the Prospectus Regulation, by the Luxembourg Commission de Surveillance du Secteur Financier (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of the Prospectus Regulation.

Purpose of the Supplement

This Supplement has been prepared for the purposes of (i) incorporating by reference in the Base Prospectus the condensed interim consolidated financial statements as at and for the six months ended 30 June 2020 contained in the interim financial report at 30 June 2020 (the "**June 2020 Interim Consolidated Financial Statements**"), including the auditors' limited review report thereon; (ii) incorporating by reference in the Base Prospectus the press release dated 31 July 2020 entitled "The Board of Directors of ERG S.p.A. approves the Half-Yearly Financial Report as at 30 June 2020"; (iii) incorporating by reference in the Base Prospectus the consolidated disclosure of non-financial information in accordance with Italian Legislative Decree no. 254/2016 for the year ended 31 December 2019 of the Issuer (the "**Sustainability Report**") and (iv) updating the significant or material change statement contained in the "*General Information*" section.

This Supplement and the documents incorporated by reference are available at the Issuer's website at:

<https://www.erg.eu/en/investor-relations/debt/rating-emt-n-programme/prospectus>

In addition, copies of this Supplement and the documents incorporated by reference will be available without charge (i) from the registered office of the Issuer, (ii) from the specified office

of the Paying Agent for the time being in Luxembourg, and (iii) on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The date of this Supplement is 2 September 2020.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Supplement and declares that, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or has been noted, as the case may be, since publication of the Base Prospectus.

AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented in the manner described below.

DOCUMENTS INCORPORATED BY REFERENCE

The information set out below supplements the section of the Base Prospectus entitled "Documents Incorporated by Reference" on pages 44 to 45 of the Base Prospectus.

The following documents which have previously been published and have been filed with the CSSF shall be incorporated in, and form part of, the Base Prospectus:

- (d) the condensed interim consolidated financial statements as at and for the six months ended 30 June 2020 contained in the interim financial report at 30 June 2020 (the "**June 2020 Interim Consolidated Financial Statements**").

The following table shows where specific items of information are contained in the June 2020 Interim Consolidated Financial Statements, and such specific items shall be deemed to be incorporated in, and to form part of, this Supplement:

Profit for the Half-Year	Page 33
Incentive Framework	Page 44-46
Statement of Financial Position	Page 76
Income Statement	Page 77
Statement of Comprehensive Income	Page 78
Statement of Cash Flows	Page 79
Statement of Changes in Equity	Page 80
Notes to the Consensed Interim Consolidated Financial Statements	Pages 81-167
Independent Auditors' Report	Pages 169-170

Any information contained in the June 2020 Interim Consolidated Financial Statements which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus as amended by this Supplement.

The June 2020 Interim Consolidated Financial Statements can be accessed at the following website:

<https://www.erg.eu/documents/10181/423001/ERG+S.p.A.+INTERIM+FINANCIAL+REPORT+30+JUNE+2020/12b5032f-ba3d-4c95-9b29-dd4df02956b2>

- (e) The press release issued by the Issuer on 31 July 2020 entitled "The Board of Directors of ERG S.p.A. approves the Half-Yearly Financial Report as at 30 June 2020" (the "**31 July 2020 Press Release**");

Entire document except the "2020 Guidance" bullet point on page 1 and the paragraphs under the heading "*Business outlook*" on pages 10-12.

Any information contained in the 31 July 2020 Press Release which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus as amended by this Supplement.

The 31 July 2020 Press Release can be accessed at the following website:

https://www.erg.eu/documents/10181/423001/CS_31072020_ENG

- (f) The consolidated disclosure of non-financial information in accordance with Italian Legislative Decree no. 254/2016 for the year ended 31 December 2019 of the Issuer (the "**Sustainability Report**"):

The following table shows where specific items of information are contained in the Sustainability Report, and such specific items shall be deemed to be incorporated in, and to form part of, this Supplement:

2018 - 2022 Business Plan: CSR Drivers	Page14
Status as at end 2019	Page 15
Rating and Sustainability Indices (sub section on page)	Page 28
Our Sustainability Commitments	Pages 34-35
Economic Responsibility	Page 75-76
Key Economic Indicators	Page 77
Erg Group's Plants	Page 79
Environmental Responsibility	Page 103
CO2 Avoided: 2018-2022 (entire page)	Page 114
Green Energy for our Additional Consumption and the Reduction of Scope 2 Emissions (sub sections on page)	Page 119
Social Responsibility (entire page)	Page 133
Safety Walks and On-Site HSE Audits and The Internal Seminar on HSE Performance	Page 143
Corporate Welfare (entire page)	Page 164
ERG Group: People and Organisation	Pages 166-167
Data and Governance Indicators	Pages 193-197

Any information contained in the Sustainability Report which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus as amended by this Supplement.

The Sustainability Report can be accessed at the following website:

https://www.erg.eu/documents/10181/422014/DNF+Ed+2019+ING_x+Sito+con+link.pdf/2cb8f4ee-a95f-4678-a26e-2269999721ea

Unless specifically incorporated by reference into this Supplement, information contained on the Issuer's website does not form part of this Supplement.

DESCRIPTION OF THE ISSUER AND THE ERG GROUP

The paragraph "Thermoelectric Power" in the section entitled "Business sectors" on page 105 of the Base Prospectus shall be deemed to be supplemented with the following:

"With the aim of strengthening the portion of secured revenues granted by Energy Efficiency Certificates and long term power purchase agreements (PPA) with on site customers, such as ENI and Lukoil, following a tender process the Issuer was awarded capacity contracts for delivery in 2022 and 2023, in the Sicily region, for a capacity of 340 MW."

GENERAL INFORMATION

The paragraph entitled "*Significant or Material Change*" on page 134 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

"Significant or Material Change

Save as disclosed in the Base Prospectus in the section "*Description of the Issuer and the ERG Group—Recent Significant Transactions*" at pages 99-100 of the Base Prospectus and the section "*Description of the Issuer and the ERG Group—Recent Developments*" on page 118 of the Base Prospectus, there has been no significant change in the financial performance or position of the Group since 30 June 2020 and there has been no material adverse change in the prospects of the Group since 31 December 2019"