



ERG executes two Environmental Social Governance loans totalling 240 million Euro

Genoa, 20 November 2018 - ERG S.p.A. ("ERG") has signed two senior unsecured medium-term Environmental Social Governance loan agreements ("ESG Loans") respectively with Credit Agricole Corporate and Investment Banking ("CACIB") and BNL BNP Paribas Group, each for 120 million Euro and for the total amount of 240 million Euro.

The two 5-year loans provide for lump sum repayment at maturity and have no financial covenants. The loans are intended to support the group's massive investment plan and to finance certain corporate credit lines, thus enabling a significant extension of the debt duration and at the same time improving the related economic terms and conditions.

The new credit facilities (the "ESG Loans") provide for the measurement of factors to ascertain the sustainability and ethical impact of investments and, in this specific case, introduce a rewarding mechanism associated with the achievement of an avoided CO₂ target, calculated based on the output from renewable sources during the plan period.

ERG is, in fact, committed to the achievement of major decarbonisation goals; the Group's latest Sustainability Report indicates that in 2017 avoided CO₂ amounted to around 3 million tonnes per year and this figure is expected to increase by about 15% during the period of the 2018-2022 Business Plan to reach an overall quantity of approximately 16 million tonnes.

Luca Bettonte, ERG's Chief Executive Officer, commented: **"Environmental, social and governance goals have, for some time, been a fundamental part of ERG's planning and development. Thanks to our business model we contribute towards the achievement of environmental decarbonisation goals in keeping with the commitments defined by the United Nations COP21¹ and SDG13², within the scope of the 2030 sustainable development objectives. The signing of these loans is proof of the recognition and value attributed by the financial market to these choices for a more and more sustainable development."**

Deloitte has been engaged to verify the consistency of ESG elements included in the Loans with the ERG Group's strategy and market practices.

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¹ 2015 Conference of the Parties

² Sustainable Development Goal 13