



ERG GROUP **CODE OF ETHICS**



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A MESSAGE FROM THE CHAIRMAN



Edoardo
Garrone

The Code of Ethics is a useful tool for upholding the company's value and integrity over the long term.

It is a set of positive guidelines and behavioural rules which have always inspired our way of doing business and which ERG has voluntarily decided to adopt and publicise as a concrete expression of its aims with regard to all parties with whom it interacts.

The Code of Ethics is a point of reference for our work every day; it is the guide that must be followed, in daily practice, to gain the trust of our stakeholders.

It is our hope that the Code of Ethics will facilitate the achievement of two key objectives: firstly, to stimulate and reinforce a sense of community and belonging, by harmonising the conduct of all; secondly, to contribute to and uphold the image of a respected, reliable and responsible group, by ensuring relationships of integrity are established with whomever comes into contact, in whatever way, with the people and companies which comprise that group.

This fifth version of the Code of Ethics comes fourteen years after the publication of the first edition. It has become necessary due to the major corporate and organisational changes implemented recently.

When we defined the new ERG Group business model, it seemed natural to reconsider, once again, the 'constitutional' charter of our way of doing business.

The update is the fruit of an internal process of reflection and sharing concerning the identity of ERG, its mission and values, such as corporate ethical and social responsibility, environmental sustainability, transparency, honesty, integrity, respect for human rights and equal opportunities in the management of all our activities and combating all forms of corruption.

The overall ethical value of the principles laid down calls for a heightened sense of responsibility from all of us, which goes beyond professional relations. These are values which should also always be applied at a personal level, through our best efforts to make a contribution towards improving the society in which we live.

INTRODUCTION

The Code of Ethics, approved by the Board of Directors of ERG S.p.A. (hereinafter also referred to as the "Company") and the administrative bodies of the companies controlled by it (hereinafter also the "Subsidiaries")¹, represents one of the most important governance documents for the ERG Group (hereinafter also "the Group" or "ERG"), since it contains the ethical principles, derived from a heritage of individual and collective corporate values, consolidated over time, to which the Group refers in the conducting of its activities and which it has voluntarily chosen to adopt and share with its stakeholders.

The Group has always managed its activities by applying an integrated sustainable development model, aware of the fact that only through dialogue with all stakeholders and the development of alliances and synergies with the local area can continuity, quality of results and the creation of far-reaching and shared value be guaranteed. Today, following the radical process of transformation from an Italian private oil company to the leading independent producer on the renewable energy market, the reference territories have expanded thanks to a growing presence in the rest of Europe, in addition to Italy, but the approach to corporate responsibility and, more generally the Group's shared values, has remained the same.

The Code of Ethics, by recommending, promoting or prohibiting certain behaviour, even when not expressly governed at regulatory level, satisfies the need for explicitly sharing, with as broad a public as possible, the values that all persons who belong to the Group must adhere to in their day-to-day work.

In order to further strengthen our unstinting commitment to promoting compliance with the principles of propriety, transparency, honesty and integrity and combating

¹ These are companies directly or indirectly controlled by ERG S.p.A. in accordance with the provisions of article 93 of the T.U.F. (Italian Consolidated Finance Act).

any form of corruption, the Group has adopted an Anti-corruption System, consistent with the highest international standards².

This System, an integral part of the Internal Control and Risk Management System, together with the Code of Ethics, Anti-corruption Policy, and Organisation and Management Models pursuant to Italian Legislative Decree 231/01 adopted by companies established under Italian law, helps ensure compliance with national and international anti-corruption legislation in the countries in which ERG operates.

Failure to uphold these values, recognised by society and by the market, and any improper actions or infringements of the law, may cause damage that may be hard to recover from, including to image, reputation and credibility, precious and fundamental intangible resources. They increase trust on the markets, promote investments by shareholders, foster customer loyalty, help attract the best people, reassure suppliers and increase our level of reliability vis-a-vis our creditors. Internally, they help create a calm working environment, an essential condition for making and implementing carefully weighted and informed decisions. Adhering to the Code of Ethics and the constant application of its principles can facilitate all of the above.

² In particular, the ERG Group has decided to use ISO 37001:2016 "Antibribery Management System" as a reference. This standard provides guidance on the internal control and risk management measures that help tackle corruption in firms and groups of companies.

RECIPIENTS AND LEGAL REFERENCES

The Code of Ethics applies to members of the Board of Directors, the Board of Statutory Auditors and other supervisory bodies of ERG S.p.A., the administration and supervisory bodies of the Subsidiaries, irrespective of the Country in which their registered office is located or in which they carry out their activities, employees of the Group and any party linked to the Group in any way by a contractual relationship (hereinafter, unless otherwise indicated, also referred to as the "Recipients").

The Code of Ethics is therefore shared with all Recipients, highlighting the penalties arising from failure to adhere to the provisions contained therein, as well as, for information purposes, all the investee companies.

The Code of Ethics applies in all Countries in which ERG operates and to all the activities carried out; in order to ensure its content is disseminated as widely as possible, it is published on the company intranet and the institutional website www.erg.eu.

All Recipients are both entitled and obliged to become familiar with it, contribute actively to its implementation (including by reporting any breaches), request explanations in the event of any doubts regarding its application procedures, indicate any gaps or the need for any update or modification, as well as promptly notify the relevant supervisory body (the Supervisory Committee, if present, or another party duly appointed, where necessary, by the administrative body of each Group company – hereinafter the "Supervisory Committee") of any information pertaining to potential violations of the Code, cooperating with the structures tasked with verifying such reports.

ERG shall undertake, through the relevant Organisational Units, to:

- facilitate the widest possible dissemination of the Code of Ethics and the principles expressed therein, including through training and awareness-raising programmes;
- carry out the necessary checks of any reports of possible infringements of the

Code of Ethics and apply suitable penalties, should proof of any such be found;

- guarantee, to anyone providing information in good faith concerning possible breaches of the Code of Ethics, the right to confidentiality of identity and protection from any kind of retaliation;
- penalise anyone who, in bad faith, reports possible breaches of the Code of Ethics which prove unfounded, as well as anyone who violates the measures to protect whistle-blowers;
- monitor compliance with laws, rules and decisions from the UN, European Union and any other supranational body applicable to its activities, with specific reference to:
 - the principles of the Universal Declaration of Human Rights;
 - the fundamental International Labour Organisation conventions;
 - the principles of the UN Global Compact;
 - the principles of the United Nations Convention against Corruption issued in 2003 [the so-called Merida Convention];
 - the principles of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

The Code of Ethics must be interpreted and applied together with the behavioural rules already defined by ERG for specific activities or categories of parties, including:

- the Directors' Code of Conduct;
- the Procedure for the management and processing of inside information and for the dissemination of statements and information to the public;
- the Guidelines for the identification and carrying out of significant transactions;
- the Code of Conduct for Internal Dealing;
- the Procedure for Related-Party Transactions;
- the Internal Control and Risk Management System Guidelines;
- the Guidelines for compliance with Italian Legislative Decree 231/01 and the Anti-corruption Laws in ERG Group companies;
- the ERG Group Anti-corruption System and Policy;
- the "Classification and protection of information" Guidelines;
- the "Information security management" Guidelines;

- the Guidelines concerning health and safety and the environment, as well as the relevant procedures in force;
- the Privacy Organisational Model or equivalent internal regulations;
- the Organisation and Management Models pursuant to Italian Legislative Decree 231/2001 of ERG S.p.A. and its Italian subsidiaries;
- the "Crisis Communication Management" Guidelines;
- the "External Communication" Guidelines.

The ERG Code of Ethics is divided into three sections, which contain, in order:

- the **general principles** concerning relations with stakeholders, which provide an abstract definition of the reference values applicable to ERG activities;
- the **behavioural rules** with respect to each class of stakeholder, which lay down specific guidelines and rules with which the Recipients are required to comply in order to adhere to the general principles and prevent the risk of unethical conduct;
- the **implementation mechanisms**, which describe the system to monitor compliance with the Code of Ethics and ensure continuous improvement thereof.

FIRST SECTION

GENERAL PRINCIPLES

The Code of Ethics is founded on the following general ethical principles, whose significance is both broad and cross-cutting, to such an extent that they should be considered as a whole, rather than individually:

Lawfulness: understood as compliance with the laws in force in the Countries in which the Group operates, the Code of Ethics, the Anti-corruption Policy, the Organisation and Management Models pursuant to Italian Legislative Decree 231/01, the policies, guidelines, procedures and operating instructions issued. In particular, ERG undertakes to combat any form of fraud or corruption.

Honesty: understood as keeping one's word and promises and respecting agreements entered into, exhibiting unstinting good faith in all activities and decisions, in order to establish relationships of trust with all contacts.

Propriety: understood as a desire to avoid taking advantage of contractual loopholes or unexpected events in order to exploit the weak position in which a counterparty may find itself, as well as implementing all necessary measures to combat corruption.

Equality: understood as the desire to guarantee equal opportunities free from any discrimination based on political or trade union views, religious beliefs, race, nationality, age, gender, sexual orientation, health or any personal characteristic in general.

Confidentiality: understood as the desire to handle all information obtained in relation to the professional service appropriately, paying particular attention to the disclosure thereof, especially in cases where it may be price sensitive, and to use such information solely for purposes connected with the exercising of one's professional activities.

Fairness: understood as the ability to maintain a constant balance between specific and general interests, both those of the individual and those of the company; in the case of hierarchical relationships, especially with colleagues, fairness is presented as the desire to prevent authority from giving rise to abuse of power, damaging the dignity and independence of colleagues; work organisational choices must also ensure the value of colleagues is safeguarded.

Integrity: understood as the desire to guarantee the physical and moral integrity of colleagues, working conditions and safety in the workplaces where activities are performed, by promoting creativity, active participation and the ability to work as a team.

Honourableness: understood as the desire to establish and maintain relationships which provide adequate guarantees of integrity and respectability, both individually and at company level.

Transparency: understood as the need to mould every relationship by ensuring the provision of uniform, complete and timely information, thus enabling all stakeholders to make their own decisions, having duly weighed the alternatives and considered potentially significant consequences.

Responsibility: understood as the desire to always consider all the possible direct and indirect consequences of one's actions, focusing on their impact on the community and the environment.

Sustainability: understood as the ability to reconcile a company's activities with the need to safeguard the environment and protect health and safety, by maintaining relationships of trust with the various stakeholders, operating every day with responsibility, taking into consideration the consequences of one's actions to protect future generations and seeking opportunities to create and share value, to the benefit of the company, its shareholders, employees and the community in general.

SECOND SECTION

BEHAVIOURAL RULES

Relations with shareholders and the financial community

Relations with colleagues

Relations with customers

Relations with suppliers

Relations with the community

Other behavioural rules



In business relations, the Group shall adhere to the aforementioned general ethical principles, irrespective of the scale of the transaction. All activities, transactions and negotiations carried out and, in general, the conduct of the Recipients in the performance of their activities must be characterised by the most accurate, complete and transparent information, legitimacy (both formal and substantial) and the provision of clear and truthful information to the public, according to the regulations in force and the internal procedures.

All the Group's activities must be conducted with dedication and precision, with a duty to provide professional support suitable for one's role and the responsibilities assigned and to act in a way that upholds the reputation of ERG. The company's objectives, along with the proposing and implementation of projects, investments and actions, must all seek to develop the ethical, managerial and technological values of the company, together with its assets and know-how, over the long term, as well as create value and well-being for all stakeholders. Corruption, illegal favours, collusion and solicitation, direct and/or through third parties, to gain personal and professional advantage for oneself or others, are prohibited without exception.

It is never permitted to give or offer, directly or indirectly, presents, payments and other perks or benefits of any size to third parties, government representatives, politically exposed persons, public officials, public service employees and civil servants, whether Italian or foreign, or to private citizens, to influence or reward any official act (or act contrary to their official duties).

Commercial courtesies, such as gifts and forms of hospitality, are only permitted provided they are of modest value and will not jeopardise the integrity or reputation of one of the parties and may not be interpreted, by an impartial observer, as an attempt to gain improper advantage.

It is forbidden to accept, request or solicit, for oneself or others, money, gifts or

other perks from persons or companies which have, or intend to establish, business relations with ERG. Anyone who receives offers of gifts or favourable treatment or hospitality that cannot be considered a commercial courtesy of modest value, must refuse and immediately notify the Supervisory Committee.

ERG shall provide third parties with adequate information concerning the commitments and obligations imposed by the Code of Ethics, insisting that they comply with the principles directly applicable to their activities. ERG shall also adopt suitable internal and (if within its remit) external initiatives in the event of non-compliance on the part of third parties.

The belief that one is acting in some way to the benefit ERG shall not, under any circumstances, justify conduct that infringes the principles laid down in the Code of Ethics.

RELATIONS WITH SHAREHOLDERS AND THE FINANCIAL COMMUNITY

ERG's **corporate governance** is inspired by the highest standards of transparency and fairness in company management; it complies with the provisions of the Italian Civil Code and other special corporate law provisions, in particular those laid down in the TUF, and is consistent with the content of the Corporate Governance Code of Listed Companies.

The elements which make up corporate governance at ERG are the statutory bodies, board committees and internal control and risk management system which, taken as a whole, represent instruments to protect both shareholders and market rules.

ERG takes steps to maintain constant dialogue with the market, in accordance with the laws and regulations on the circulation of inside information. The company's conduct and procedures seek to prevent disparities in information, by ensuring that all investors or potential investors are entitled to receive the same information simultaneously, in order to make sound investment decisions.

The Group manages its relations with its shareholders and the financial community through the Investor Relations department.

In particular, when disclosing annual and half-yearly figures, as well as occasional additional financial information, the Company organises appropriate webcasts with institutional investors and financial analysts, with all interested parties entitled to take part. In addition, the Company promptly notifies shareholders, potential shareholders and the financial community in general of any action or decision which may have significant effects with respect to their investment and ensures that the relevant regulated information is available on its website.

ERG's policy is to provide the broadest range of information concerning its activities and strategies; to this end, meetings are organised periodically, both in Italy and abroad, with representatives from the financial community and the media.

ERG undertakes to guarantee that financial communication complies with the regulatory provisions and is easily understandable, exhaustive and prompt, by ensuring:

- corporate communications are truthful (financial statements, periodic reports, prospectuses etc.) ;
- prevention of the committing of corporate crimes (such as false corporate communications etc.) and market abuse (insider trading and market manipulation).

RELATIONS WITH COLLEAGUES

People are the essential factor behind the existence, development and success of any company. ERG, therefore, focuses particularly on protecting the rights and developing the abilities and skills of all its employees, to enable them to realise their full potential and professionalism and, consequently, contribute to the achievement of the Group's objectives in accordance with the commitments of social and environmental responsibility defined by the management.

ERG guarantees respect of workers' rights and offers every person equal employment opportunities, according to their respective professional characteristics

and performance capabilities, without any discrimination, condemning any crimes against individuals and undertaking to adopt the most appropriate supervisory measures.

Thus, ERG, in accordance with all laws, regulations and company policies in effect, undertakes to:

- select, recruit, remunerate, train and develop persons based on criteria of merit, skill and professionalism, without any discrimination on the grounds of politics, trade union affiliation, religion, race, language or gender;
- ensure a working environment where relations among colleagues are characterised by loyalty, integrity, cooperation, mutual respect and trust;
- ensure freedom of association to its workers and the right to collective bargaining;
- respect contracts and collective labour agreements, with particular reference to regulations concerning the payment of wages, working hours, rest periods, weekly rest, mandatory leave and public holidays;
- offer working conditions that are appropriate in terms of health and safety, ensuring respect for the moral character of every person, so as to foster interpersonal relationships free from prejudice;
- combat any form of intimidation, hostility, isolation, undue interference, coercion or harassment, whether sexual or of any other kind or nature;
- guarantee that, within a framework of reciprocal rights and duties, workers are guaranteed the chance to express their personalities and reasonable protection as regards the privacy of their personal and professional relationships;
- intervene in cases of attitudes that breach the principles set forth above.

For the purposes of the implementation of the above, ERG undertakes to provide, through internal communication channels and the competent organisational units, information on employee management policies, in line with the confidentiality constraints imposed by criteria of good business management; moreover, it shall take steps to enhance the professionalism of the persons present within the

company through training, with growth and development programmes supported by adequate budgets.

Each organisational unit manager is required to involve his/her team in the performance of work and the achievement of the set targets; for their part, the team members must participate with a spirit of cooperation and initiative, by actively contributing to the implementation of the established activities. There will always be opportunities to participate in discussions and the making of decisions necessary for achieving the corporate objectives, where listening to the various points of view of colleagues will enable the manager to be more confident in his/her final choices.

RELATIONS WITH CUSTOMERS

ERG wishes its conduct vis-a-vis its customers to be characterised by principles of helpfulness, professionalism and courtesy; the Group's objective is complete satisfaction for both internal and external customers, pursued through careful attention to complaints and suggestions.

Therefore, each Recipient, within his/her remit, in relations with customers, must:

- scrupulously adhere to internal procedures in order to develop and maintain positive and long-lasting relationships;
- always respect commitments undertaken and obligations to customers;
- refrain from arbitrary discrimination against customers and never seek to exploit positions of strength to their disadvantage;
- work courteously and efficiently, in accordance with contractual provisions;
- provide accurate, complete, clear and truthful information concerning the products and services offered, to enable the counterparty to make an informed choice;
- not circulate communications that may mislead in any way;
- request compliance with the principles of the Code of Ethics, notifying the Supervisory Committee of any conduct which appears to infringe them.

RELATIONS WITH SUPPLIERS

ERG considers its suppliers a key component of competitive success; therefore, it seeks to establish relationships based on principles of sustainability, integrity and confidentiality and manage its relations with suppliers, both actual and potential, according to principles of lawfulness, transparency, propriety and loyalty.

ERG also asks its suppliers, in particular in the provision of their contractual services to the Group, to adhere to the principles contained in the Code of Ethics, including with reference to relations with any sub-suppliers.

In accordance with the aforementioned principles, ERG, in its management of the processes for acquiring and carrying out the contractual services for the Group, asks Recipients to:

- manage their business dealings correctly and ethically. In particular, all actions, transactions, negotiations and behaviour in general employed during the conducting of business, must be characterised by the utmost integrity, free from any corruption or favouritism, complete and transparent information and legitimacy (both formal and substantial), based on the regulations in force and internal procedures;
- establish and encourage monitoring of the quality of goods and services acquired and delivery times;
- adhere to all regulations that may be specifically relevant from time to time, with particular reference to safety and environmental protection;
- respect the rights of employees, with particular attention to the principles of equal opportunities and the application of the remuneration conditions laid down in the employment contracts;
- extend, as far as possible, checks on workers' conditions to the supply chain;
- adhere to the principles of the Code of Ethics and notify the Supervisory Committee of any conduct which appears to infringe them.

The Group's employees, in scrupulously adhering to the acquisition procedures and processes, which must be managed with loyalty and impartiality and with the goal of

ensuring the greatest competitive advantage for the Group, along with a guarantee that the best level of quality of the products on offer will be respected, must:

- check that suppliers, both actual and potential, possess all the means, capacities, expertise, quality systems and resources necessary for satisfying the needs of the Group and consistent, including from an ethical perspective, with its image;
- not arbitrarily exclude from tender procedures or requests for supplies in general, potential suppliers who possess the necessary requirements, as regards professionalism, efficiency and reliability;
- insist on compliance with contractual conditions, with particular reference to human rights, health and safety and the environment;
- ensure proper handling of any cases of non-compliance of goods and/or services received with respect to contractual standards;
- avoid using suppliers with whom they have family relationships or affinity;
- adopt all possible safeguards to avoid using suppliers whose conduct is not based on the same principles that inspire the ERG Group, especially as regards human rights, health and safety and the environment and combating corruption;
- ensure the assessment criteria adopted and the reasons for the choices made are clearly and transparently documented.

In accordance with the principles laid down, ERG periodically reviews its 'register of suppliers' in order to streamline it and increase both the cost-effectiveness and efficiency of supplies and suppliers' compliance with the said principles and criteria of ethical/social and environmental responsibility which inspire its own activities.

Lastly, in order to guarantee maximum transparency, ERG takes steps to ensure:

- the separation of roles between the departments requesting the supply and those entering into the contract, apart from the justified exceptions indicated in the company procedures;
- adequate traceability of the choices adopted;
- documents are kept in accordance with the regulations in force and internal procedures.

RELATIONS WITH THE COMMUNITY

ERG also believes that, in its relations with external third parties, with whom it has no contractual relationships of any kind, the primary reference point for its conduct should be compliance with all the principles and values contained within the Code of Ethics.

Relations with Public Institutions and the protection of the interests of the ERG Group in such contexts must be managed by the company's Organisational Units responsible for this or appointed for the purpose, whose conduct must be based on thoroughness, transparency, clarity and propriety so as not to lead such parties into partial, false or misleading interpretations; should the Group decide to employ consultants or third-party representatives, they must make sure their behaviour complies with the provisions of the Code of Ethics.

ERG does not make direct or indirect contributions, in any form, to parties, movements, committees, political organisations or trade unions, nor to their representatives or candidates; similarly, Recipients must not give or promise donations chargeable to or in the interests of the Group.

Relations with the press and means of communication and information are managed, to ensure all information issued is consistent, exclusively by the duly-appointed company departments, which have a service role carried out according to the policies stipulated by the top management of the organisation, as regards the general policy and image of the Group, and the competent operational departments, for specific issues.

All Recipients must cooperate with the Organisational Units tasked with managing relations with the press and means of communication so that they may provide truthful, accurate and transparent information externally; for their part, the latter must not:

- provide, or undertake to provide, information that has not been agreed upon and approved at the necessary level of responsibility with the Organisational Units directly involved or competent;

- influence their professional activities, by offering or promising payments, gifts or other advantages.

Recipients called upon to provide or illustrate externally notices concerning objectives, activities, results and viewpoints of the ERG Group, must obtain prior authorisation from the top management of the organisational structure to which they belong concerning the content and opinions to communicate and work in partnership with the Organisational Unit tasked with managing relations with the media.

In line with corporate social responsibility and as an established value, ERG focuses on the social and economic development of the local communities in which it operates, by listening to requests, gauging expectations and needs, identifying public and private representatives and investing resources for the enhancement and development of the local area. ERG undertakes to contribute to the growth of the local society and promotes activities and projects in favour of young people and sport, health and culture, based on dialogue with the reference communities, in a spirit of active cooperation.

Information concerning the actions undertaken and results achieved by the ERG Group with regard to the economic/financial and social responsibility and environmental targets set in accordance with the Code of Ethics are periodically published in a clear, truthful and accurate document, the non-financial declaration, drafted in accordance with rules and standards recognised both nationally and internationally.

OTHER BEHAVIOURAL RULES

Use and protection of company assets

Each Group employee (as well as any other Recipient, as applicable) is responsible for using and keeping the tangible and intangible assets provided by ERG for carrying out his/her activities and is required to exercise due care in protecting

them, behaving responsibly and in a way that is consistent with the procedures in force. Specifically:

- they may not carry out, during working hours, other activities not inherent to or consistent with their duties and organisational responsibilities and must use company resources solely for purposes connected with and instrumental to the exercising of their work activities;
- they must work appropriately and with the utmost rigour, to prevent damage to persons or property and to reduce the risk of theft, damage or other external threats to the resources assigned by or located at ERG;
- as far as possible, they must prevent waste, tampering or uses of company resources that may jeopardise their efficiency or accelerate normal deterioration;
- they must absolutely prevent (unless otherwise stipulated in specific regulations) the use of such assets by third parties or their transfer to third parties, even temporarily.

Use of computer equipment

ERG considers its information systems and computer applications fundamental elements for achieving its objectives, as tools available to Group employees (as well as any other Recipient, as applicable) in order to express their full potential in carrying out their duties and as essential components for the secure, continuous, efficient and supervised running of its facilities; therefore, it invests considerable resources in their development and improvement, for processing and the correct communication of information, in order to improve efficiency and effectiveness.

With a view to ensuring the greatest level of security of information systems and complete protection of internal users and third parties, in accordance with the legal principles in force, ERG regularly adopts suitable methods and monitoring practices, implementing the measures deemed most suitable for preventing, or possibly identifying and penalising, conduct not in line with its principles.

Since the Group's initiatives in this regard may only be effective if accompanied by the active involvement of users, the latter are required to:

- make appropriate use of the IT and communication resources provided;

- become familiar with and respect policies, guidelines, procedures, manuals, guides and other documents which ERG produces to ensure proper management and security of IT and communication resources;
- observe all relevant and applicable laws and regulations;
- keep the computer equipment supplied intact;
- use IT and communication instruments in a way that protects the confidentiality of the data memorised or transmitted.

Conflicts of interest

The Recipients, including outside of the activities carried out for ERG, must not exhibit behaviour or implement transactions that may be in conflict with the interests of the Group, or which may interfere with their ability to carry out their activities impartially and to the benefit of ERG.

Recipients are also required to refrain from taking advantage personally, directly or through family members (including spouses not legally separated, children, parents, cohabitants or intermediaries, trustees or companies controlled by the aforementioned parties) and third parties, of business opportunities of which they become aware during the carrying out of their duties.

As regards the execution of transactions with so-called related parties, these must be conducted in full compliance with all applicable legal and regulatory provisions, ensuring full transparency, propriety and just grounds, pursuant to the provisions in the specific procedure drafted by ERG.

Management of gifts and presents

ERG, with its conduct founded on the steadfast defence of the principle of integrity and requiring a similar commitment from the Recipients, lays down rules that set criteria and procedures for donations as well as the receipt of gifts and presents and undertakes to make every effort to prosecute any act of corruption committed by any Recipient vis-a-vis both private citizens and holders of public offices.

Recipients who receive gifts or presents that exceed normal courtesy and that are not of modest value, must immediately notify their company contact (where applicable) and/or the Supervisory Committee. It is also forbidden to solicit gifts, presents, money or any other benefit.

It is not permitted to offer any form of gift that exceeds normal business practices, sums of money, presents or personal benefits (e.g. promises of favours, recommendations etc.), special treatment or any action aimed at the securing of favourable treatment, unfair real or apparent advantages of any kind. Acts of commercial courtesy are permitted provided they are of modest value and, in any event, do not jeopardise integrity and reputation, not influence the independent judgement of the beneficiary.

Recipients are required not to behave in any way that an impartial observer might judge an improper attempt to influence the autonomy, independence and impartiality of the public officials/public service representatives/politically exposed persons, Italian and foreign, or private citizens with whom they are dealing. The following are therefore forbidden:

- any gift or favourable treatment to such parties or their family members, unless of modest value;
- offering such parties, in any way, employment and/or business opportunities which may benefit them personally;
- granting such parties acts of courtesy or hospitality which may jeopardise the integrity of one or both parties;
- performing, with respect to such parties, any act aimed at persuading them to carry out, or refrain from carrying out, any type of activity in breach of the regulations of the body to which they belong.

Even in Countries where it is customary to offer presents as a sign of courtesy, these must be appropriate and must not infringe any legal provisions. Nor must it be possible to interpret them as requests for favours in return.

Use and disclosure of information

ERG considers the following to be of fundamental importance:

- protecting the confidentiality of the personal information and data of all stakeholders with whom it comes into contact through its activities;
- the dissemination of accurate, complete and truthful information concerning all corporate events and upholding the necessary confidentiality of such information when necessary;

as prerequisites for creating and maintaining a relationship of transparency and trust with its stakeholders and the market.

Therefore, ERG undertakes to comply fully with all the regulations in force concerning the processing of personal data, establishes suitable and constantly updated procedures and adopts security measures.

Consequently, when processing information, the Recipients must:

- keep all information learned during the exercising of their functions scrupulously and with the utmost confidentiality, to protect the know-how acquired by the Group;
- request, in the cases established by the regulations in force, consent for the processing of personal data and use it exclusively for the purposes envisaged and in accordance with the security measures adopted by the Group;
- adhere to any internal procedures duly established to prevent abuses through the use of inside and confidential information;
- operate in compliance with the principles contained in the regulations in force and prevent improper processing of personal data and information, especially that of a sensitive or legal nature;
- prevent any use of information that may constitute any form of breach of the laws in force, as well as, in any event, an offence against the liberty, integrity or dignity of the persons to whom such information refers or from whom it comes, especially in the case of minors.

Moreover, Recipients must:

- prevent improper use or misuse of confidential information and refrain from using it for their own gain and/or that of their family members, acquaintances or third parties in general;
- protect the information, through adherence to the security measures duly envisaged within the corporate procedures, from access by unauthorised third parties and prevent its dissemination unless specific authorisation has been received, from time to time, from the party entitled to release it;
- not seek, or attempt to obtain from others, any information that does not concern their specific area of competence;
- classify the information and organise it in such a way that authorised parties may access it easily and obtain the full context.

Unless expressly appointed, it is forbidden for Group employees (or any other Recipients, if applicable) to process the personal data of other employees or third parties.

Accounting transparency

In the keeping of accounts documentation and the relevant records, there must be strict compliance with the principle of transparency, understood as an indissoluble whole of truth, accuracy, clarity and completeness of information.

Therefore, within the framework of their respective remits, Recipients are required to:

- provide a complete, transparent, truthful, accurate and prompt representation, in accordance with the procedures envisaged;
- record accurately and without omission all economic operations and financial transactions;
- keep adequate documentation of every operation and transaction, to make it easy to verify and/or reconstruct the decision-making and authorisation process, which must be conducted in accordance with the levels of responsibility defined by ERG;
- archive all accounts and supporting documentation in a logically organised

fashion, so that such information can be easily located, checked and understood;

- permit the competent bodies to conduct tests aimed at verifying the characteristics of and reasons for the transactions recorded in the accounts, providing any necessary assistance;
- provide the auditing company and any other internal and external supervisory bodies with any information they require.

Any ERG employee (as well as any other Recipient, as applicable) who becomes personally aware of any omissions, falsifications or negligence concerning the accounts or documentation on which the accounting records are based, must report such facts to the Chief Executive Officer and/or Managing Director (or equivalent) of the Group company concerned, the Administrative Director and/or Manager responsible for preparing the Company's financial reports in accordance with Italian Law 262/2005 and the Supervisory Committee.

Protecting health and safety and the environment

ERG believes that full compatibility between its activities and the health and safety of workers, the local area, natural resources and the environment constitutes an essential condition both for the acceptability of its facilities and operating activities and for achieving its development objectives.

Therefore, ERG constantly undertakes to ensure that the operations of all Group companies are carried out in full respect of the health and safety of Group employees and third parties, as well as the environment in the broadest sense, paying particular attention to factors such as the drawing up of operating budgets and investments (both annual and multi-annual) promoting the adoption of technologies aimed at environmental protection and energy efficiency.

With the active support of all Recipients, ERG, as a socially responsible company, seeks to:

- make safety, protecting the health of its staff, respecting the environment and natural resources its key priorities, ensuring continuous, frank and constructive dialogue with its stakeholders on these matters;

- adhere to the legislation in force, supplementing it as necessary with any internal regulations that may prove necessary and/or appropriate, wherever its activities are conducted and at whatever level of responsibility;
- undertake to ensure that its staff develop a culture of safety, through training, information, dialogue and a responsible and continuous commitment where leadership and exemplary management are part of a quest for excellence;
- when choosing its partners, give priority to parties who operate in accordance with the same principles;
- promote and carry out all reasonable initiatives aimed at minimising and eliminating the causes which may jeopardise the health and safety of all persons present in the local area surrounding its operating establishments;
- ensure a constant focus on and continuous commitment to improving performance in environmental matters, by monitoring and reducing energy consumption, minimising the production of waste, respecting legal limits for emissions into the atmosphere, water and soil, seeking responsible and careful use of natural resources and protecting local ecosystems and biodiversity;
- assess environmental and social impacts before undertaking new activities, or introducing modifications and innovations to processes and products;
- establish a relationship of dialogue and constructive cooperation, based on the utmost transparency and trust, with institutions and all stakeholders, in order to develop its activities with respect for local communities;
- maintain high levels of safety and environmental protection, through the implementation of management systems developed, periodically checked and certified according to internationally-recognised standards and introducing resources and management and intervention procedures based on thorough risk analysis and assessment, aimed at tackling any emergencies;
- ensure continuous information, awareness raising and training so that the principles of protection of health and safety and the environment become entrenched at all corporate levels as a shared heritage.

Aware of the fact that, in order to achieve its set objectives, the active contribution of all parties involved in various ways is crucial, ERG asks the Recipients, in particular,

to make efforts to create a workplace environment with a focus on health and safety, by imposing a ban on smoking in all workplaces and forbidding staff from working under the influence of alcohol or narcotics.

Lastly, confirming the great store that ERG sets by protecting health, safety and the environment, assessment of the individual services provided by Group employees take into consideration whether the conduct of such employees is consistent with company policies, especially those detailed above.

In particular, among other things, the Management By Objectives (MBO) remuneration system is associated with a sustainability clause, which stipulates that the bonus pertaining to the company objective will not be paid, in the reference year, to participants in the MBO system, should there have been any fatal accident or incident causing major permanent disability of 46% or more to a Group employee, irrespective of the company performance recorded.

Competition

ERG acknowledges that honest and fair competition represents an essential condition for the development of company activities and undertakes to comply fully with the regulations governing this.

The Group adheres fully and rigorously with antitrust regulations and rules laid down by the market regulatory authorities. It shall not deny, conceal or delay any information requested by the bodies tasked with applying such regulations and shall cooperate actively during any investigations.

ERG strictly forbids the Recipients from carrying out any practice (e.g. creation of cartels, market-sharing agreements, undertakings to limit production or sales, inter-conditional agreements etc.) that restricts competition or that may disrupt the market unlawfully, even when such a practice is not intentional but may be judged to be so by an impartial third party.

Recipients are also bound to comply strictly with competition rules by preventing any contact with rival operators, the purpose of which is to exchange sensitive commercial information, such as prices, volumes etc. In addition, should Recipients find themselves in a position where they suffer conduct by third parties that breaches antitrust regulations, they must immediately notify both their managers and the Supervisory Committee of the Group company to which they belong.

THIRD SECTION
IMPLEMENTATION MECHANISMS



The foundation for compliance with the Code of Ethics is the sharing of the fundamental values laid out herein, especially as regards scrupulous and thorough compliance with all laws by every Group employee in the carrying out of work activities; applying the Code of Ethics is thus a duty for all.

Adherence to the rules in the Code of Ethics must be considered an essential part of the obligations assumed in any way and to all legal purposes by the Recipients with respect to the Company and, especially as regards the Group employees, an essential part of the contractual obligations assumed pursuant to and in accordance with articles 2104 and 2105 of the Italian Civil Code and the Italian National Collective Labour Agreement (CCNL) in force; breach of any laws or the principles contained within the Code of Ethics must result in the application, vis-a-vis the Recipients, of the penalty procedures laid down in the said regulations or any ad hoc laws, including, for particularly serious breaches, measures to terminate the existing employment or contractual relationship.

ERG has both a right and a duty to monitor compliance with the Code of Ethics, taking all prevention and supervision steps deemed necessary or suitable for this purpose; should any breaches be determined, ERG shall intervene by applying, depending on the case, the provisions in the CCNL in force regarding disciplinary measures, or any other existing contractual provisions and, more generally, the legislative and regulatory provisions in force.

Monitoring of the application of the Code of Ethics is required from the Supervisory Committee, which shall submit the results of the relevant checks conducted to the competent department at the reference Group company, for the adoption of any penalty measures against whichever party broke the rules.

ERG considers reports received in good faith a gesture of loyalty towards the Group. Any person may submit such a report orally or in writing using the specific e-mail inbox created and published on the company intranet and the institutional website,

or by ordinary mail. Provided whistle-blowers act in accordance with the legislation in force, their confidentiality and protection will be guaranteed by the Supervisory Committee. The Supervisory Committee may initiate, including with the assistance of the relevant company departments, specific verification activities in order to find objective proof of any report received and may take into consideration any anonymous reports, provided they are sufficiently detailed (containing all objective elements necessary for the subsequent verification phase), in order to conduct in-depth analyses.

This version of the Code of Ethics was adopted through a resolution of the Board of Directors of ERG on 3 August 2018 and becomes effectively immediately.

Genoa, 3 August 2018

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