

ERG S.p.A.
Ordinary Shareholders' Meeting on 20/21 April 2012

Remuneration Report

pursuant to Article 123-ter of Legislative Decree no. 58 dated 24 February 1998



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SECTION I

The path

In accordance with the Corporate Governance Code promoted by Borsa Italiana S.p.A.¹, the ERG S.p.A. Board of Directors (hereinafter the “Company”), with resolution dated 20 December 2011, adopted a Policy for the remuneration of directors and other executives with strategic responsibilities (hereinafter the “Policy”) to be effective starting from fiscal year 2012. The Policy² was based on a proposal presented to the Board of Directors by the Nominations and Remuneration Committee (hereinafter “NRC”)³, prepared using the services of the Human Resources Department, in turn supported by the consulting firm Tefen Management Consulting.

As more clearly explained below, in keeping with relevant Italian legislation and the recommendations of the Corporate Governance Code, the decisions behind the Policy’s implementation fall within the competence of various parties:

- a) the Shareholders’ Meeting insofar as concerns the Directors’ fees;
- b) the Board of Directors, following a proposal by the NRC and having consulted the Board of Statutory Auditors, as regards the remuneration of Executive Directors. More specifically, the NRC periodically assesses the adequacy, overall consistency and effective application of the Policy for the remuneration of Directors; it submits proposals or expresses opinions to the Board of Directors concerning the remuneration of Executive Directors and the setting of performance objectives related to the variable salary component; it monitors the implementation of decisions taken by the Board of Directors, verifying that performance objectives are effectively reached;

1 In this regard we report that in December 2011 a new Corporate Governance Code was published and that “Issuers are invited to implement the amendments to this Code as approved in December 2011 by the end of the fiscal year beginning in 2012, informing the market through the Corporate Governance Report to be published in the following fiscal year. The amendments relating to the composition of the Board of Directors or the relevant committees, and notably the amendments to principles 5.P.1, 6.P.3 and 7.P.4, together with application criteria 2.C.3. and 2.C.5. shall apply commencing with the first renewal of the Board of Directors taking place after the end of the fiscal year beginning in 2011. The second paragraph of criterion 3.C.3. applies commencing with the first renewal of the Board of Directors taking place after the end of the fiscal year beginning in 2012. Issuers belonging to FTSE-Mib index are invited to provide information relating to criterion 5.C.2. in the Corporate Governance Report to be published in 2012”. All references to the provisions of the Corporate Governance Code, unless otherwise specified, are therefore intended as referring to the Code preceding the one approved in December 2011.

2 It should be noted that the Policy was independently defined by ERG, without using as reference remuneration policies pertaining to other companies.

3 Further information regarding bodies and persons involved in the preparation and approval of the Policy and the NRC’s composition, competences and working procedures is set out in the Report on Governance and Ownership drawn up pursuant to Article 123-bis of the Consolidated Law on Finance (T.U.F.).

c) the Chief Executive Officer, with the support of the Human Resources Department, as regards the remuneration of Executives with strategic responsibilities. In this connection, the NRC periodically assesses the overall consistency and effective application of the Policy for the remuneration of Executives with strategic responsibilities, using the information provided by the Chief Executive Officer and periodically reporting to the Board of Directors.

Responsibility for the Policy's correct application is allocated in keeping with the aforesaid distribution of tasks.

The NRC⁴, which comprises 3 independent board members⁵, has been actively involved in the process of elaboration and subsequent adoption of the new short-term incentive scheme – the so-called MBO⁶ Scheme (hereinafter “MBO Scheme”) and has continued to outline the general principles behind the medium/long-term incentive scheme – the so-called LTI⁷ Scheme (hereinafter “LTI Scheme”), currently at an advanced stage of definition⁸.

The MBO Scheme and the general principles of the LTI Scheme form an integral and essential part of the Policy⁹.

The Policy sets general guidelines for determining the remunerations of administrative body members, general managers and other executives with strategic responsibilities, in the normal course of their business, with a view to attracting, retaining and motivating highly qualified managers and aligning their interests to the pursuance of the priority objective of creating value for shareholders over a medium/long-term horizon.

The Policy is structured differently according to whether the remuneration in question is intended for Board Members or General Managers and other Executives with strategic responsibilities.

4 With regard to the composition of the NRC's competences and working procedures, reference is made to the related dedicated section of the Report on Governance and Ownership as at 31 December 2011, pursuant to Article 123-bis of the *T.U.F.*

5 Qualified as independent in accordance with both the related provisions set forth by the *T.U.F.* and the provisions set forth by the Corporate Governance Code.

6 Management by objectives.

7 Long term incentive.

8 In this connection, we mention that the weight of the fixed and variable components (in the short and medium/long term) as part of overall retribution can be indicated only following complete definition of the LTI Scheme.

9 The Policy is available in the Governance section of the website www.erg.it, to which reference is made for all further information.

BOARD OF DIRECTORS

Fees

All Directors are paid a fixed annual fee, as resolved by the Shareholders' Meeting, and non-monetary benefits may be assigned in their favour, as more clearly explained below.

Directors called upon to sit on the NRC or the Internal Control Committee (hereinafter "ICC") receive an additional set fee again resolved by the Shareholders' Meeting, in proportion to the commitment required of each of them in their respective offices.

Remuneration

Fixed component

For Executive Directors, the fixed annual fee resolved by the Shareholders' Meeting is supplemented with a fixed annual remuneration established by the Board of Directors based on a proposal from the NRC, after consulting the Board of Statutory Auditors. The amount of the remuneration is defined (based on the opinion of specialised firms) through market benchmarking with listed companies. The comparison is made considering, within the ambit of the reference stock market, firms that are similar in terms of their type, size and complexity and by comparing individual roles.

Variable component

For the Chairman and the Chief Executive Officer, a monetary variable component is envisaged, linked to the creation of value over the medium/long term, determined according to the rules provided within the LTI Scheme. This variable component is established by the Board of Directors based on a proposal from the NRC, after consulting the Board of Statutory Auditors.

LTI Scheme – medium/long-term incentives

The aim of this scheme is to promote maximum alignment of management and shareholder objectives. For such purpose, the variable remuneration component is linked to the forecast value creation, over a three-year time span, expressed via the ERG Group EP (Economic Profit) indicator. The EP represents the "residual" monetary value following the remuneration of all production factors, including the cost of capital employed. Therefore by expressing an income net of the cost of capital, the EP considers the equity and financial components alongside the income component. A bonus is paid upon achievement of the EP target values contained in the Group's Three-year Plan. The target value of such bonus is determined taking account of external salary benchmarks (relating to the long-term variable

component of the salaries) and the forecast value creation. The bonus actually paid may increase according to the level of achievement of the objective up to a maximum of 200% (cap) with respect to the target value. In the case of a negative or zero group EP, the bonus will be equal to zero. The LTI Scheme provides for a bonus payment mechanism that is deferred and conditional over time, using an account (bonus Bank) which each year withholds a significant portion of the bonus accrued to be paid at the end of the third year only in the event that, over the three-year period, the forecast value creation achieved is in line with the predetermined target intervals.

Extraordinary bonuses

In the case of extraordinary transactions successfully completed, lump sum bonuses may be paid to the Executive Directors involved in the transaction. The size of these bonuses depends on the economic benefit arising from the transaction in question and the salary level of the individual Director.

Non-monetary benefits

The Executive and non-Executive Directors are entitled to receive certain non-monetary benefits (health and life insurance policies) the amount of which is deducted from the annual remuneration approved by the Shareholders' Meeting. As regards the Executive Directors, other benefits may be provided, such as a car and living accommodation, which are not deducted from the fixed component.

GENERAL MANAGER AND OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

Remuneration

The remuneration package pertaining to the General Manager and the other Executives with strategic responsibilities is defined by the Chief Executive Officer, in accordance with the Policy defined by the Board of Directors. This package comprises a fixed component and a variable component, the latter in turn being subdivided between short-term (MBO) and medium/long-term (LTI) incentives and non-monetary benefits as described below.

The Company considers that the balancing of the fixed and variable component is in keeping with its strategic objectives, which aim to maximise the results of each business and, therefore, of the Group overall. This balancing ensures a fixed component that is sufficient to remunerate Executives with strategic responsibilities in cases where the variable component is not paid owing to failure to achieve the objectives.

As regards the Internal Audit Manager, the package is determined by the Board of Directors, based on a proposal from the Executive Director appointed to oversee the functionality of the internal control system and having obtained the favourable opinion of the ICC.

Fixed component

The fixed remuneration of the General Manager and the other Executives with strategic responsibilities is reviewed annually based on market salary surveys provided by specialised firms. The comparison is made considering the reference market, the size and complexity of the business, the level of responsibility, experience and competence associated with the individual positions.

Variable component

The variable component of remuneration as regards the General Manager and the other Executives with strategic responsibilities in general is composed of short-term incentives (MBO) and medium/long-term incentives (LTI), as shown below. The incentive mechanisms pertaining to the Internal Audit Manager and the Manager Responsible for preparing the Company's financial reports are in keeping with the tasks assigned to them¹⁰.

¹⁰ The objectives insofar as concerns the variable component assigned to the Internal Audit Manager are not tied to economic performance indicators.

MBO Scheme – Short-term incentives

The MBO Scheme is designed to encourage participants to achieve annual objectives. Each participant is assessed on a maximum of 4 objectives:

- 1 Group objective, which is the same for all scheme participants;
- 3 individual objectives connected with the position held.

Associated with each objective is a weight and a relative share of the overall monetary incentive, the amount of which is determined via a comparison against the reference salary market.

The Group objective has a weight corresponding to 30% of the incentive amount and is measured using the indicator “Consolidated IAS result before tax at adjusted replacement cost”. Individual objectives have a weight corresponding to 70% of the incentive amount and are measured according to economic/financial and/or project parameters.

In order to impartially assess the performance of participants, at the beginning of the year, for each objective, a forecast target value is identified as well as a minimum and maximum threshold within which the objective is considered achieved. The monetary incentive amount associated with each objective may vary between 80% and 120% for individual objectives and between 50% and 150% for the company objective.

In the event that the result associated with an objective is below the minimum threshold defined at the outset, the incentive amount relating to such objective will be zero; in cases where the result associated with an objective is above the maximum threshold defined at the outset, the incentive amount relating to such objective cannot in any case exceed the established cap.

LTI Scheme – Medium/long-term incentives

For the General Manager and for the other Executives with strategic responsibilities in general, participation in the above described LTI scheme is also envisaged, subject to the following differentiation:

- in the case of anyone who, for organisational purposes, does not form part of the Business Units, the value creation objective is 100% represented by Group EP, as set forth in the three-year plan;
- in the case of anyone who, for organisational purposes, forms part of the Business Units, the value creation objective is represented 30% by Group EP and 70% by the Business Unit’s EP, both as set forth in the three-year plan.

Extraordinary bonuses

In the case of extraordinary transactions successfully completed, lump sum bonuses may be paid to the managers who most contributed to the success of the transaction. The size of these bonuses depends on the economic benefit arising from the transaction in question, the contribution effectively given by each individual manager and his/her salary level.

Non-monetary benefits

The General Manager and the other Executives with strategic responsibilities are assigned some non-monetary benefits including, by way of example, insurance cover (health and life policies), pension benefits, car and living accommodation.

RESIGNATION FROM OFFICE OR TERMINATION OF THE EMPLOYMENT RELATIONSHIP

Whenever an employment relationship is terminated for justified motive or just cause, the terms and conditions of the national collective agreement for industrial managers of companies producing goods and services shall apply. There are no specific agreements envisaged that provide for indemnities in case of resignation from office or termination of the employment relationship.

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS

It should be noted that the current Policy does not provide for incentive plans based on financial instruments.

SECTION II

Part 1.1

The Policy adopted by the Board of Directors with resolution dated 20 December 2011 takes effect starting from fiscal year 2012; consequently, in order to give an appropriate representation of each of the items comprising the remuneration – as set out in Part 1.2 of this Section – drawing attention to the consistency of same with the reference retribution policy, the following is a description of the remuneration system in place until 31 December 2011 based on which the aforesaid items were recognised.

Remuneration system in place until 31 December 2011

As regards the Executive Directors, the General Manager and the other Executives with strategic responsibilities, the remuneration comprises a fixed component, a short and long-term variable component and non-monetary Benefits.

FIXED COMPONENT

Executive Directors

For Executive Directors, the fixed annual fee resolved by the Shareholders' Meeting is supplemented with a fixed annual remuneration established by the Board of Directors, on a proposal from the NRC, after consulting the Board of Statutory Auditors. The amount of the remuneration is defined (based on the opinion of specialised firms) through market benchmarking with listed companies. The comparison is made considering, within the ambit of the reference stock market, firms that are similar in terms of their type, size and complexity and by comparing individual roles.

General Manager and other Executives with strategic responsibilities

The fixed remuneration of the General Manager and the other Executives with strategic responsibilities is defined by the Chief Executive Officer in accordance with the guidelines defined by the Board of Directors and reviewed annually based on market salary surveys provided by specialised firms. The comparison is made considering the reference market, the size and complexity of the business, the level of responsibility, experience and competence associated with the individual positions.

VARIABLE COMPONENTS

Short-term incentive scheme

The short-term incentive scheme, approved by the Board of Directors at its meeting on 12 November 2004, following a proposal from the Remuneration

Committee (now NRC), and implemented as from fiscal period 2005, is based on certain key objectives that can be summarised as follows:

- introduction of a single incentive scheme comprising both company and individual performance;
- definition for each scheme participant of a market-related benchmark bonus;
- measurement of individual performance according to a consistent system of goals and indicators;
- evaluation of company performance in terms of value created/destroyed;
- definition of a minimum and maximum level of fluctuation for the bonus.

Participants in the scheme include the Chairman, delegated Deputy Chairman and Chief Executive Officer of ERG S.p.A., all executives and a selected number of middle managers from ERG Group companies.

For each scheme participant a benchmark individual bonus has been defined represented by the gross amount that the person will receive if both the individual goals and company objectives are fully achieved.

As regards the ERG S.p.A. Chairman, delegated Deputy Chairman and Chief Executive Officer, the bonus is defined by the Board of Directors, based on a proposal by the NRC, after consulting the Board of Statutory Auditors.

As regards the other scheme participants, the bonus is determined by the Chief Executive Officer, in accordance with the guidelines defined by the Board of Directors.

A separate bonus pool has been created for each business area (Corporate, Coastal Refining, Integrated Downstream, Thermoelectric and Renewable Energy), based on the sum of individual bonuses of the executives belonging to each single area, so as to use performance indicators specific to the different areas.

As regards company objectives, reference is made to each individual segment's business performance based on the following parameters:

- Corporate area: 100% Group economic profit (value creation);
- Coastal refining division: 70% divisional EBITDA and 30% Group economic profit;
- Integrated downstream division: 70% divisional EBITDA and 30% Group economic profit;
- Thermoelectric division: 70% divisional EBITDA and 30% Group economic profit;
- Renewable energy division: 70% divisional EBITDA and 30% Group economic profit.

In addition, a distinction is made between top management and executives, so as to assign different risk profiles and enhance the level of sensitivity to the results achieved by the scheme's participants vis-à-vis top management.

Other features of the scheme are:

- the setting of a cap for bonuses actually paid;
- the setting of a floor for bonuses actually paid;
- the allocation of participants to five merit ranges.

The role played by the NRC in the process of implementing the scheme involves approving the annual Group economic profit target, checking the EBITDA targets of individual business areas and confirming the economic profit actually achieved.

Long-term incentive scheme

The main objectives of the long-term incentive scheme approved by the Board of Directors at its meeting on 5 August 2005, based on a proposal by the Remuneration Committee (now NRC), were to:

- encourage decisions that assured sustainable, enduring Value Creation;
- avoid the risk of “under-investment”;
- increase retention of key people.

The long-term incentive scheme granted registered and non-transferable subscription rights for company shares to be issued in accordance with Article 2441, paragraph 8, of the Italian Civil Code, or rights to purchase ERG shares held as treasury shares, to be assigned to participants, as appropriate, at a price equivalent to the cost of exercising subscription rights for newly issued shares.

The scheme had a three-year duration and envisaged the assignment of rights, each year, to be exercised at par, namely at a price corresponding to the arithmetical average of the ERG share’s official prices in the thirty days preceding each assignment of rights.

The Board of Directors had set at 2.1 million the maximum number of newly issued or treasury shares to service the scheme for the entire three-year duration.

The first assignment, on 3 October 2005, consisted of 648,590 rights assigned at an exercise price of Euro 21.08 to a total of 15 people, comprising the Chairman of ERG S.p.A., Group companies’ Managing Directors, and some selected executives.

The second assignment, on 2 October 2006, consisted of 746,119 rights assigned at an exercise price of Euro 15.61 to a total of 16 people, comprising the Chairman and two Deputy Chairmen of ERG S.p.A., Group companies’ Managing Directors, and some selected executives.

The third assignment, on 1 October 2007, which took into account the waivers of rights submitted in the meantime, consisted of 745,335 rights assigned at an exercise price of Euro 16.06 to a total of 16 people, comprising the Chairman and

two Deputy Chairmen of ERG S.p.A., Group companies' Managing Directors, and some selected executives.

At the time of each assignment, the number of rights to be allocated was determined by the Board of Directors, based on an appropriate proposal by the NRC, with regard to the Chairman, Deputy Chairmen and Chief Executive Officer of ERG S.p.A., and by the said Chief Executive Officer with regard to the other beneficiaries.

The scheme Regulations contained specific provisions regarding the effects on such rights in the case of termination of the employment relationship or collaboration agreement occurring during the period of exercisability, distinguishing, in this respect, between termination due to voluntary resignation, dismissal and voluntary redundancy in the case of employees and resignation or revocation in the case of the Chairman and the Managing Directors – in which case the options would become totally null and void – and termination due to death, permanent disability, compulsory redundancy, expiry without renewal of a collaboration agreement or expiry without renewal of mandate in the case of the Chairman and the Managing Directors – in which case the options would continue to be valid, being transferred to heirs in the case of death.

The scheme also established that options could not be exercised during the first three years following their assignment, and had to be exercised, under penalty of forfeiture, within one year from the commencement of exercisability. In any case, they could not be exercised during the period between 10 November and 15 May of each year.

On 1 October 2011, the period for the third assignment expired without any of the participants exercising the related rights.

EXTRAORDINARY BONUSSES

In the case of extraordinary transactions successfully completed, lump sum bonuses may be paid to the Executive Directors and to the managers who most contributed to the success of the transaction. The size of these bonuses depends on the economic benefit arising from the transaction in question, the contribution effectively given by the person in question and his/her salary level.

NON-MONETARY BENEFITS

Executive and non-Executive Directors

The Executive and non-Executive Directors are entitled to receive certain non-monetary benefits (health and life insurance policies) the amount of which is deducted from the annual remuneration approved by the Shareholders' Meeting. As regards the Executive Directors, other benefits may be provided, such as a car and living accommodation, which are not deducted from the fixed component.

General Manager and other Executives with strategic responsibilities

The General Manager and the other Executives with strategic responsibilities are assigned some non-monetary benefits including, by way of example, insurance cover (health and life policies), pension benefits, car and living accommodation.

RESIGNATION FROM OFFICE OR TERMINATION OF THE EMPLOYMENT RELATIONSHIP

Whenever the employment relationship is terminated for justified motive or just cause, the terms and conditions of the national collective agreement for industrial managers of companies producing goods and services apply. There are no specific agreements envisaged that provide for indemnities in case of resignation from office or termination of the employment relationship¹¹.

¹¹ The termination indemnity paid following the early dissolution of the relationship with Deputy Chairman Pietro Giordano was determined taking into account, in particular, (i) the importance of the position held by same within the Group; (ii) the contribution given towards the completion of several extraordinary transactions and the related results effectively achieved by the Group; (iii) the specific obligations undertaken by same in terms of confidentiality and non-competition.

Part 1.2

The following tables set out details of the remuneration paid, for whatsoever reason and in any form, during the year in question, by the company and by subsidiary and associated companies.

Table 1: Remuneration paid to members of the administrative body, the general managers and other executives with strategic responsibilities

(A) Full name	(B) Position	(C) Period during which the position was held	(D) Expiry of office	(1) Fixed remuneration	(2) Remuneration for participation in committees	(3) Non-equity variable compensation		(4) Non-monetary benefits	(5) Other remuneration	(6) Total	(7) Fair Value of equity compensation	(8) Indemnity on resignation from office or termination of employment relationship
						Bonuses and other incentives	Profit sharing					
Edoardo Garrone	Chairman	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				791,078.00	-	125,000.00	-	8,922.00	-	925,000.00	-	-
(II) Remuneration from subsidiaries and associated companies				-	-	-	-	-	-	-	-	-
(III) Total				791,078.00	-	125,000.00	-	8,922.00	-	925,000.00	-	-
Giovanni Mondini	Deputy Chairman	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				224,928.28	-	-	-	12,843.08	-	237,771.36	-	-
(II) Remuneration from subsidiaries and associated companies				-	-	-	-	-	-	-	-	-
(III) Total				224,928.28	-	-	-	12,843.08	-	237,771.36	-	-
Alessandro Garrone	Chief Executive Officer	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				992,035.17	-	1,600,000.00 ^(a)	-	13,968.31	-	2,606,003.48	-	-
(II) Remuneration from subsidiaries and associated companies				11,420.00 ^(b)	-	-	-	-	-	11,420.00	-	-
(III) Total				1,003,455.17	-	1,600,000.00	-	13,968.31	-	2,617,423.48	-	-
Massimo Belcredi	Director	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				47,293.00	65,000.00 ^(a)	-	-	2,707.00	-	115,000.00	-	-
(II) Remuneration from subsidiaries and associated companies				-	-	-	-	-	-	-	-	-
(III) Total				47,293.00	65,000.00	-	-	2,707.00	-	115,000.00	-	-
Luca Bettonte	Director	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				599,999.95	-	375,000.00 ^(a)	-	15,107.27	-	990,107.22	-	-
(II) Remuneration from subsidiaries and associated companies				-	-	-	-	-	-	-	-	-
(III) Total				599,999.95	-	375,000.00	-	15,107.27	-	990,107.22	-	-
Lino Cartarelli	Director	01.01.2011 - 31.12.2011	30.04.2012									
(I) Remuneration in the company preparing the financial statements (ERG S.p.A.)				50,000.00	25,000.00 ^(a)	-	-	-	-	75,000.00	-	-
(II) Remuneration from subsidiaries and associated companies				-	-	-	-	-	-	-	-	-
(III) Total				50,000.00	25,000.00	-	-	-	-	75,000.00	-	-

Table 2: Stock options assigned to members of the administrative body, the general managers and other executives with strategic responsibilities

Full name	Position	Scheme	Options held at the beginning of the year		Options assigned during the year							Options exercised during the year		Options expired during the year	Options held at the end of the year	Options pertaining to the year		
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)				(13)	(14)
			Number of options	Exercise price	Period of exercisability (from - to)	Number of options	Exercise price	Period of exercisability (from - to)	Fair Value at assignment-date	Assignment date	Market price of underlying shares on assignment of options	Number of options	Exercise price	Market price of underlying shares on exercise date	Number of options	Number of options	Fair Value	
A	B	(1)																
Edoardo Garrone	Chairman	Long-term incentive scheme (BofD on 05/08/2005)	78,091	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	78,091	-	-	-
Giovanni Mondini	Deputy Chairman	Long-term incentive scheme (BofD on 05/08/2005)	13,015	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	13,015	-	-	-
Alessandro Garrone	CEO	Long-term incentive scheme (BofD on 05/08/2005)	89,153	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	89,153	-	-	-
Luca Bettonte	Director	Long-term incentive scheme (BofD on 05/08/2005)	43,384	14.13	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	43,384	-	-	-
Aldo Garozzo	Director	Long-term incentive scheme (BofD on 05/08/2005)	32,538	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	32,538	-	-	-
Giuseppe Gatti	Director	Long-term incentive scheme (BofD on del 05/08/2005)	32,538	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	32,538	-	-	-
Pietro Giordano	Deputy Chairman until BofD on 21/06/2011	Long-term incentive scheme (BofD on 05/08/2005)	97,614	16.14	01/10/2010 - 21/06/2011	-	-	-	-	-	-	-	-	-	97,614	-	-	-
Strategic Executives	Directors of subsidiaries and division heads	Long-term incentive scheme (BofD on 05/08/2005)	65,076	16.14	01/10/2010 - 30/09/2011	-	-	-	-	-	-	-	-	-	65,076	-	-	-

It should be noted that the remuneration refers to the company preparing the financial statements. No remuneration is envisaged from subsidiaries and associated companies.

Table 3B: Monetary incentive schemes in favour of members of the administrative body, the general managers and other executives with strategic responsibilities

A Full name	B Position	(1) Scheme	(2) Bonus for the year		(3) Bonus for previous years			(4) Other bonuses
			(A) Payable/ Paid ⁽¹⁾	(B) Deferred	(C) Deferral period	(A) No longer payable	(B) Payable/ Paid	
(I) Remuneration in the company preparing the financial statements								
Edoardo Garrone	Chairman	Short-term incentive scheme (BofD resolution dated 12/11/2004)	125,000.00	-	year 2011	-	-	-
Alessandro Garrone	Chief Executive Officer	Short-term incentive scheme (BofD resolution dated 12/11/2004)	200,000.00	-	year 2011	-	-	1,400,000.00
Luca Bettonte	Director	Short-term incentive scheme (BofD resolution dated 12/11/2004)	75,000.00	-	year 2011	-	-	300,000.00
Pietro Giordano	Deputy Chairman until BofD on 21/06/2011	Short-term incentive scheme (BofD resolution dated 12/11/2004)	150,000.00	-	year 2011	-	-	-
Strategic Executives	Directors in subsidiaries and division heads	Short-term incentive scheme (BofD resolution dated 12/11/2004)	239,610.00	-	year 2011	-	-	551,500.00
(I) Total			789,610.00					2,251,500.00

(1) Bonus pertaining to 2011, payment of which will be made in May 2012 by ERG S.p.A.
No remuneration is envisaged from subsidiaries and associated companies

Schedule 7-ter: Information regarding the shareholdings of members of the management and control bodies, the general managers and other executives with strategic responsibilities

Full name	Position	Company	Number of shares held at the end of the previous year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the current year
Alessandro Garrone ⁽¹⁾	Chief Executive Officer	ERG S.p.A.	2,000	-	-	2,000
Fabrizia Giordano ⁽¹⁾⁽²⁾	-	ERG S.p.A.	12,725	-	12,725	-
Riccardo Giordano ⁽¹⁾⁽²⁾	-	ERG S.p.A.	5,025	-	5,025	-
Strategic Executives ⁽¹⁾	Directors of subsidiaries and division heads	ERG S.p.A.	8,350	-	-	8,350

(1) Direct shareholders – possession title: ownership

(2) Son/daughter of Pietro Giordano, Deputy Chairman of ERG S.p.A. until the Board of Directors Meeting on 21/06/2011

Genoa, 6 March 2012

ERG S.p.A.

The Chairman of the Board of Directors

Edoardo Garrone

ERG S.p.A.

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Share Capital Euro 15,032,000 fully paid.
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Company Register Genoa and
Fiscal Code 94040720107
VAT 10122410151

