

## **Code of conduct regarding transactions with related parties.**

- 1.** Transactions with ERG S.p.A. related parties, initiated by either the Parent Company or the subholding operating companies, including infra-group transactions, with the exception of transactions where the value is equal to or less than 0.3 million Euro, those that are typical or usual and those concluded on standard terms and conditions, are subject to the prior approval of the ERG S.p.A. Board of Directors.
- 2.** Related parties are those identified as such in IAS 24.
- 3.** Infra-group transactions are those carried out by the Parent Company or by the subsidiaries with:
  - a) the companies which are, directly or indirectly, namely even through trust companies or due to third-party intervention, controlled by ERG S.p.A. in accordance with article 2359, paragraphs 1 and 2, of the Italian Civil Code and article 93 of the Consolidated Finance Act;
  - b) the companies associated with ERG S.p.A. in accordance with article 2359, paragraph 3, of the Italian Civil Code.
- 4.** Typical or usual transactions are as defined by the "Guidelines for identifying and carrying out significant transactions", namely those whose nature or purpose is not unrelated to the typical business of both companies involved and whose characteristics and timing do not present any critical aspects.
- 5.** Transactions to be concluded on standard terms and conditions, according to the provisions contained in the "Guidelines", are those to be concluded at market values and in any case at the same terms and conditions also applied with regard to third parties.

**6.** The Managing Director, whenever he identifies the need to carry out a transaction with a related party, shall provide the Internal Control Committee with a full report regarding the nature of the relationship, the terms for carrying out the transaction, the economic and other conditions for its implementation, the valuation process followed, the underlying interest and motivations and the risks for the company, if any.

**7.** The Internal Control Committee shall express its opinion on the transaction and shall evaluate whether or not the transaction's nature, value or other characteristics also call for the opinion of one or more independent experts with regard to the economic conditions and formal and/or technical correctness of the transaction.

In such case the Internal Control Committee shall also arrange the choice of expert(s), to be selected from persons having acknowledged professionalism and expertise, subject to careful assessment of the independence of same and the absence of any conflict of interest.

**8.** The Board of Directors, for the purpose of adopting the resolution authorising the execution of the transaction, in addition to a full report on the nature of the relationship, the terms for carrying out the transaction, the economic and other conditions for its implementation, the valuation process followed, the underlying interest and motivations and the risks for the company, if any, shall also receive from the Managing Director the opinion of the Internal Control Committee accompanied, where appropriate, by that of the independent expert(s).

If the relationship is with a Director or with a related party through a Director, the Director concerned, in accordance with the provisions set forth by article 2391, first paragraph, of the Italian Civil Code, shall report the circumstance and provide any and all clarifications that may be requested, leaving the board meeting during its

deliberation, unless the Chairman asks him to remain also with a view to having him take part in the voting, wherever appropriate.

- 9.** Transactions with related parties, including infra-group transactions, that have not been subjected to prior examination and approval by the Board of Directors since they have a value equal to or less than 0.3 million Euro, are typical or usual or are concluded on standard terms and conditions, must in any case be brought to the attention of the Parent Company's board. For such transactions, the Chief Executive Officer of the Parent Company and the Managing Directors of the subholding companies shall gather and retain adequate information concerning the nature of the relationship, the terms for carrying out the transaction, the economic and other conditions for its implementation, the valuation process followed, the underlying motivations and the risks for the company, if any. Again for these transactions one or more experts may be appointed, as provided above.

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