

REGULATION OF THE SUSTAINABILITY COMMITTEE
OF ITG *Holding S.p.A.*¹

These Regulations, approved by the Board of Directors on 4 August 2016, govern the composition and appointment, method of operation, duties, powers and means of the Sustainability Committee of ITG *Holding S.p.A.* (“**Committee**”), an internal committee of the Board of Directors of ITG *Holding S.p.A.*

The Committee is established by resolution of the Board of Directors pursuant to art. 13.9 of the Articles of Association, in accordance with the Corporate Governance Code approved by the Corporate Governance Committee (the “Corporate Governance Code”).

Article 1 - Composition and appointment

1.1. The Committee shall be composed of three non-executive directors.

1.2. The Board of Directors shall appoint and revoke the members and the Chairman of the Committee

Article 2 - Methods of Operation

2.1. The Chairman of the Committee calls and chairs the meetings. If absent or in case of his or her impediment, the oldest member of the Committee present shall preside. The head of the corporate affairs and governance department shall act as Secretary of the Committee and assist the Chairman in the execution of his or her functions.

2.2. The Company’s Chairman, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors or any other Standing Auditor designated by it are invited to attend the Committee meetings; meetings may also be attended by other persons who are not Committee members, at the invitation of the Committee itself, in order to provide information and express their pertinent evaluations regarding single items on the agenda.

¹ On 12 September 2016 ITG *Holding S.p.A.* has changed its company name in Italgas S.p.A.

2.3. The Committee shall meet with the frequency needed to discharge its duties, and in any case where the meeting is necessary or opportune.

.4 The call notice shall be sent by the Secretary, by uploading it to the “Secure Area”. If this is not possible, the notice shall be sent by email, as instructed by the Chairman of the Committee, as a rule at least five days before the date set for the meeting. In case of need and urgency, said notice may be sent at least twelve hours before the time set for the meeting. The notice is sent to the Chairman and Chief Executive Officer, the Chairman of the Board of Statutory Auditors, the Secretary of the Board of Directors and the Head of Public Affairs and Communications, for their information.

Before its transmission, assisted by the Secretary of the Committee, the Secretary of the Board of Directors shall check that the matters to be dealt with relating to the meetings of the Board of Directors have been included in the agenda

2.4. The notice shall contain an indication of the location, normally the Company’s registered offices, and the date and time of the meeting, as well as a list of the matters to be dealt with. The Committee may meet by videoconferencing or teleconferencing, provided that all participants can be identified, have access to the documentation under consideration and are able to follow the discussion and participate in real time in the discussion of the topics considered. The meeting shall be considered to have been held in the location where the Chairman of the Committee is.

2.5. Any documentation on the matters on the agenda shall be made available to the members, by the Secretary, at least five days before the date of the meeting, apart from in exceptional cases. The documentation shall be made available to the members by the Secretary, in the “Secure Area” reserved to the Committee, and may be sent by e-mail to the addresses indicated by the members of the Committee as well as in the other forms

agreed. In addition to the legal obligations regarding sensitive information, the members of the Committee are required to maintain the confidentiality of the data and information they receive in the exercise of their duties.

2.6. The Committee shall be validly constituted in the presence of a majority of the serving members, and resolves by absolute majority of those present. In case of deadlock the Chairman shall have the casting vote.

2.7. The Secretary shall draw up the minutes of the meetings. The draft minutes shall be submitted to the Chairman of the Committee and the other members for any comments. The minutes are signed by the meeting Chairman and by the Secretary and sent to the Committee members, the Chairman and the Chief Executive Officer, the members of the Board of Statutory Auditors and the Secretary of the Board of Directors. As a rule, the minutes shall be approved at the next meeting of the Committee.

Article 3 - Duties

3.1. The Committee offers advice and recommendations to the Board of Directors on matters of sustainability, using the term to mean all processes, initiatives and activities aimed at overseeing the Company's commitment to sustainable development throughout the value chain.

The Committee, in particular:

- a) reviews and assesses: *(i)* the sustainability policies so as to ensure value creation over time for the shareholders in their entirety and for all the other stakeholders in a medium to long term perspective, in accordance with the principles of sustainable development and *(ii)* the sustainability processes, guidelines and objectives and the sustainability report submitted annually to the Board of Directors;

- b) monitors the positioning of the Company with respect to the financial markets on sustainability issues, with particular reference to the Company's placement in the ethical sustainability indices;
- c) monitors national and international initiatives on sustainability and the Company's participation in them, in order to consolidate the company's international reputation;
- d) reviews any sustainability initiatives as may be included in agreements submitted to the Board of Directors, also in relation to the matter of *climate change*;
- e) reviews the profit and not-for-profit strategy of the company and the Company's gas advocacy initiatives;
- f) expresses, at the request of the Board, an opinion on other sustainability questions;
- g) after every meeting, the Committee updates the Board of Directors in a communication, at the first available meeting, on the topics discussed and the comments, recommendations and opinions formulated therein; it also reports to the Board, at least once every six and no later than the dates on which the annual and half-yearly financial report are to be approved, on the activities it has carried out, in the board meeting indicated by the Chairman of the Board of Directors.

3.2. The investigations involved in sustainability matters for which the Committee is responsible are supervised by the head of the department competent in sustainability, who attends the Committee meetings.

Article 4 – Powers and means

4.1. The Committee shall be entitled to access the company departments and information needed to execute its duties.

4.2. The Board of Directors has assigned the Committee the resources it needs to fulfil its duties; more specifically, within the terms established as appropriate by the Board of

Directors, through the Company's structures, it can use external consultants who are not in a position that would compromise their independence of judgement.