

TAX STRATEGY OF THE ITALGAS GROUP

This document illustrates the principles and guidelines underlying the Italgas Group's *Tax Strategy*, defined by the Board of Directors of Italgas S.p.A. in order to ensure capital integrity over time and transparency in the management of the tax variable and associated risks.

OBJECTIVES OF THE TAX STRATEGY

The Tax Strategy aims to:

- guarantee the correct calculation and settlement of taxes due by law (and execution of connected obligations), well aware that management of taxes is an integral part of the broader economic and social role the Group performs in the Country it operates in;
- control the fiscal risk, understood as the risk of violating tax regulations or of operating against the principles or purposes of the tax system.

The Tax Strategy is defined and approved by Italgas S.p.A., as the Parent Company, and is implemented by its Subsidiaries through resolutions passed by their respective Boards of Directors and is made known to investee companies, but not subsidiaries, in order to promote the knowledge and application of the principles and guidelines contained therein.

PRINCIPLES OF THE TAX STRATEGY

The Tax Strategy is inspired by the same principles expressed in the Italgas' Code of Ethics, which comprises the set of values that the Group acknowledges, accepts and shares and the responsibilities undertaken both inside and outside its organisation. The values set out therein constitute the ethical business culture that inspires Italgas' strategic thinking and the running of its business activities. The provisions relating to compliance with the Code of Ethics are suitable for ensuring the effectiveness of the provisions contained therein and are understood to extend to the provisions of the

Tax Strategy. These principles inspire and guide company operations in the Group's management of the tax variable.

LEGALITY

Italgas acts in compliance with applicable laws and the principles of the tax system in the country in which it operates, for the purpose of determining the tax due and fulfilment of the requirements. In interpreting said laws and principles, it operates in such a way as to responsibly manage the risks connected with the tax variable.

TONE AT THE TOP

The Board of Directors of Italgas S.p.A. approves the Tax Strategy and guarantees the conditions for its implementation, promoting awareness at all levels of the importance that the Group attaches to the values of honesty, correctness and legality in tax.

In order to assess the adequacy of the tax risk control and management system adopted, with respect to the characteristics of Italgas and the risk profile assumed in relation to the tax variable, the Italgas S.p.A. Board of Directors examines at least once a year the report prepared by the Manager identified in the organisational model (i.e. the Tax Risk Manager), to be sent thereafter to the Revenue Agency.

COLLABORATION AND TRANSPARENCY

Italgas establishes relations with the Financial Administration based on the spirit of collaboration, transparency and good faith, pursuing the objective of developing constructive relations, based on its reliability as counterparty.

IMPLEMENTATION GUIDELINES FOR THE TAX STRATEGY

In order to ensure the concrete implementation of the general principles outlined above, the Italgas Group's Tax Strategy is broken down into the guidelines described below.

COMPLIANCE WITH THE LAWS AND PRINCIPLES OF THE TAX SYSTEM

It is Italgas' objective to correctly determine and pay the taxes due on time. Italgas undertakes to correctly apply the tax legislation of the country in which it is operating, in order to ensure compliance with the regulations in force and their interpretation.

If the regulations are not sufficiently clear, or if they leave room for interpretation, Italgas, inspired by the principle of legality, shall pursue a reasonable interpretation of the regulations, also, where necessary, engaging external professionals or consulting the competent Financial Administration in advance, through the procedures provided for by law.

Italgas takes into account the interpretative and applicative indications contained in the practical pronouncements of the Tax Authorities, reserving the right to assess their consistency with the founding principles of the tax system and the established principles of case law.

Where discrepancies arise, Italgas considers it legitimate, in order to protect the company's interest, to uphold (also in court) a reasonable interpretation of the legal provisions.

Italgas also ensures continuous monitoring and oversight of regulatory changes, including through discussions with the relevant institutions.

TAX PLANNING

Italgas does not engage in aggressive tax planning aimed at implementing behaviours and transactions that result in purely artificial arrangements in order to obtain an undue tax advantage, and that generate phenomena of double deduction, deduction/non-inclusion or double non-taxation, also as a result of possible asymmetries between the tax systems of the possible jurisdictions involved.

All the transactions carried out by Italgas must be in line with business logic and aim to develop the activities included in the corporate purpose.

TAX MANAGEMENT

Italgas manages and controls the economic, financial, reputational and criminal risks relating to taxation, with due professional diligence, ensuring the adequacy of resources, organisation and internal rules to oversee taxation.

To this end, Italgas encourages the Tax Department to get involved in the performance of ordinary and extraordinary business activities in order to ensure the proper management of the tax variable, in line with national and international best practices and consistent with the strategic objectives and the level of risk propensity defined by the Company.

Italgas ensures that the Tax Department has human resources with adequate professionalism, material and financial resources, and that it is important on the organizational front, fit to ensure the appropriate performance of the functions and oversight of the responsibilities entrusted to it. To this end, Italgas ensures adequate technical training for all employees involved in the management of tax-related obligations and activities.

Italgas also ensures a clear allocation of roles and responsibilities in the tax management process, as well as integration of the tax risk management and control system within the company's broader internal control and risk management system.

Italgas provides remuneration and incentive plans and mechanisms for its directors and employees that are consistent with the reference tax regulations and therefore not aimed at undue tax savings or related to the achievement of objectives linked to undue reduction of the tax burden.

RELATIONS WITH THE TAX AUTHORITIES

In all circumstances, Italgas guarantees honesty, cooperation, fairness and transparency in its relations with the Tax Authorities in order to foster the development of constructive and professional relationships. In particular, it undertakes to:

- provide complete, correct, accurate and timely information to the Tax Authorities and to respond in a timely manner to questions received from the latter;

- inform the Tax Authorities in a clear and transparent manner of any changes in the Tax Strategy, medium and long-term tax planning and possible risks associated with the most relevant transactions;
- resolve any problems in a timely manner, prior to the submission of tax returns.

SPREADING A CULTURE OF TAX COMPLIANCE

Italgas fosters awareness of the fiscal risk by promoting:

- the dissemination of the Tax Strategy approved by the Board of Directors;
- adequate training on tax issues, in order to effectively monitor the tax risk associated with business activities and to foster the creation of a corporate culture aimed at compliance with tax regulations and controlling the risk of non-compliance with the same.

Creating awareness about the tax risk is also pursued by facilitating information flows between Corporate Departments and setting up periodic meetings with the Tax Department.

AMENDMENTS AND SUPPLEMENTS

Since this Tax Strategy has been approved by the Board of Directors of Italgas S.p.A., any subsequent substantial amendments and additions thereto shall be the responsibility of the Board itself.