



E.ON Italia

# Code of Conduct of the E.ON Italia Group



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The following Code of Conduct (hereinafter “Code”) is valid throughout the entire E.ON Italia Group and applies to all the Companies of the Group. Therefore, everything in this Code of Conduct that refers to the “E.ON Italia Group” and/or to “E.ON Italia”, if relevant, will also be applicable to the individual Companies in the Group.

Below, the term “Employees” of the E.ON Italia Group must be understood as also including Board Members and Executives.

The Code of Conduct derives from the Code of Conduct of the E.ON Group as a whole, and therefore complies with the principles established in it. If there is any difference between the two Codes of Conduct, the more restrictive rule shall prevail.

This Code of Conduct takes into account the national regulations applicable to the matters in question. In any case, such regulations, including those issued in the future, if binding, shall prevail over this Code of Conduct when they are more restrictive with respect to the same.

## A. Basic Principles

### A-I. General rules of conduct

Integrity and lawful conduct characterize all actions of the E.ON Italia Group.

All business relations of the E.ON Italia Group are totally professional and conform to legitimate commercial practices.

The E.ON Italia Group avoids all situations where personal interests of its own Employees may conflict with the interests of the Group itself.

The E.ON Italia Group safeguards the confidentiality of the E.ON's trade secrets and all business-related information that comes to its Employees' knowledge.

Employees of the E.ON Italia Group refrain from misusing the powers vested in them for their own personal gain or that of third parties, or for the detriment of the Group itself.

Employees of the E.ON Italia Group shall actively promote and maintain collegueship inspired by principles of correctness, transparency, a willingness to work together and fairness of treatment.

## **A-II. Senior and executive management**

Board members and senior managers have an important function as role models for compliance with the Code.

Therefore, the criteria used to assess any potential misconduct of the Code by Board members or senior managers are stricter than those used for other Employees.

Board members and senior managers of the E.ON Italia Group are responsible for ensuring that the Code is complied with at all times.

## **A-III. Compliance Officer**

The E.ON Italia Compliance Officer must be notified whenever knowledge exists of any developments, negotiations or transactions that could have a negative impact on the E.ON Italia Group's business or public image. In such events, the Compliance Officer can request the support of the appropriate Legal Department in fulfilling his or her duty.

## **B. Implementation of the Code**

### **B-I. Dealings with Business Partners and Government/Public Bodies**

#### **1. Basic principles**

It is essential that a clear line be drawn between the company's and its employees' personal interests when dealing with Business Partners (customers, suppliers and/or service providers, etc.) and Government/Public Bodies.

Below is a list of the basic principles for giving/accepting gifts or other benefits to/from other parties. These principles are intended to provide assistance when adhering to the Code within the scope of business as usual and apply to all Employees of the E.ON Italia Group.

#### **2. Dealings with public officials**

Particular stringent rules apply when giving gifts and other benefits to public officials, by whom we mean representatives, of any kind, and personnel of public institutions, public administrations and public bodies at international, state or local levels. All dealings of this nature must be coordinated and agreed on with the Compliance Officer beforehand, and the same procedure must be followed whenever it is unclear whether one is dealing with a public official.

Ownership issues must be clarified whenever dealing with employee in management at other companies which are at least partially owned by the State. In such cases, benefits must be granted only if private shareholders are involved to a significant extent (i.e. they must at least hold a blocking minority stake). The Compliance Officer must be consulted regarding all possible exceptions.

### **3. Dealings with Business Partners**

Whenever gifts or other benefits are given to Business Partners by E.ON Italia, one must avoid at all costs creating the impression that a certain behavior is expected in return. Whenever in doubt, and especially if the benefit is granted at a time that may be brought into relation with negotiations and major contracts, it is imperative that one consult with the Compliance Officer beforehand (with the exception of events purely for experts or training purposes).

#### **4. Acceptance of gifts, other benefits, or discounts by Employees**

The following provisions govern the treatment of benefits voluntarily offered by Business Partners or Competitors of the E.ON Italia Group to E.ON Italia Group Employees. They shall apply regardless of whether the Employee is intended to gain an advantage from the gifts or other benefits directly or indirectly (e.g. benefits granted to Employee family members or the company itself).

Under no circumstance it is allowed to actively ask for benefits or discounts.

##### **a) Monetary gifts and discounts**

E.ON Italia Group Employees are forbidden from requesting or accepting monetary gifts or unusual discounts from Business Partners and Competitors of the E.ON Italia Group.

##### **b) Gifts in kind**

Gifts in kind may only be accepted if they are "socially adequate", i.e. as long as they do not go beyond common business practice or exceed the donor or recipient's standard of living. It must be categorically ruled out that the benefit influences business decisions. One must prevent creating the impression that a business decision may be made on the basis of unrelated considerations as a result of the gift. Whenever in doubt or dealing with especially valuable gifts, one must coordinate and agree how to handle them with the Employee's superior.

### c) Invitations

The same applies to invitations (for instance, to restaurants, events or trips away) received by Employees and close family members from Business Partner or Competitors of an E.ON Italia Group company. In such cases, the limits of social adequacy must be observed as well, i.e. invitations must be common business practice and may not exceed the standard of living of the parties involved. This means that an Employee may only accept an invitation if it serves a justifiable purpose related to the business, is not unduly luxurious, and the event takes place within the scope of normal business dealings (e.g. lunch during a discussion or a reception following an event).

Attending sports and other events as a guest of a Business Partner or Competitor of the E.ON Italia Group is only permitted if the attendance is in line with the standard of living of the people involved. In addition, a representative of the host company inviting the E.ON Italia Employee must be present at the event. When in doubt, or in the event of luxurious invitations, one must consult the Compliance Officer in advance.

### d) Services

Offers by third parties to improve an Employee's private life or workplace for free or at a price that is not in line with market rates (e.g. offers to upgrade or decorate offices, other workplaces or event venues) that fall outside usual business practice are to be declined.

## **5. Giving of gifts, other benefits or discounts by Employees**

### **a) Monetary gifts and discounts**

Employees may not give financial gifts or non-standard discounts to Employees of Business Partners or Competitors of the E.ON Italia Group. The same applies to Employees of Government/Public bodies.

### **b) Gifts in kind and other pecuniary advantages**

Gifts in kind and other pecuniary advantages are allowed only if they are "socially acceptable", i.e. if they are common business practice, are not inappropriately extravagant and are otherwise in line with the standards of living of the individuals involved. Both the recipient's position and the occasion of the gift must be taken into account when assessing its adequacy. One must prevent creating the impression that any business decision may be made on the basis of unrelated considerations as a result of the gift. Whenever in doubt or dealing with especially valuable gifts, one must coordinate and agree how to handle them with the Compliance Officer.

Public officers are usually only authorised to accept gifts of a low value, such as promotional articles such as pens, calendars or note-pads. Gifts of a higher value are only allowed in exceptional cases and are subject to the prior authorisation of the Compliance Officer. In such cases it is also necessary to establish if the prior written consent of the officer's supervisor is required.

## c) Invitations to events

### aa) General principles

The following basic principles apply to all invitations extended by Companies of the E.ON Italia Group.

It must be categorically ruled out that the invitation influence business-related decisions. One must prevent creating the impression that any business decision may be made on the basis of unrelated considerations as a result of the invitation. Therefore, all extended invitations must observe the limits of "social adequacy", i.e. the invitations must be common business practice and may not exceed the standard of living of the parties involved. Whenever in doubt, one must consult with the Compliance Officer beforehand.

In cases where uninvolved third parties may gain the impression that these rules of conduct may be affected or infringed, the Company Management in question must charge guests an appropriate contribution aimed at eliminating possible misunderstandings concerning observance of the Code by E.ON Italia.

With the exception of purely social events (cf. item dd)), the Employees of the E.ON Italia Group are authorised to offer, paying the relevant expenses, the recipients of the invitation, travel and accommodation in keeping with the event itself. In such cases, the standard of accommodation should be tailored to meet safety standards and the participants' standard of living (no 'culinary highlights' or inappropriate 'luxury hotels').

During such events, the presence of a representative of the guest company (E.ON Italia Group) is required at all times to guarantee his/her own availability to help and support the guests.

As a rule, it is not allowed to hold events without a company representative present on site.

It is prescribed that all invitations extended to office-bearers be coordinated and agreed on with the Compliance Officer.

bb) Events on specialist issues, continued education or advanced training

E.ON Italia Group Employees may extend invitations to Business Partners or Employees of companies competing with the Group for events relating to the profession, technical-specialist topics, continued education and advanced training as long as the professional nature of the event is clearly the point of focus.

To maximize transparency, an unbiased, uninvolved third party should be able to recognize at any time the subject and purpose of the event as well as follow the course of events. Therefore, the order of events and issues addressed must be documented in a clear and understandable manner. Venues must be selected exclusively based on objective, logistical criteria, and not on tourist attraction. Events and travels unrelated to the purpose of the business are not permitted.

As a rule, personal companions and guests cannot be invited. Any exceptions must be coordinated and agreed on with the Compliance Officer.

cc) Events associated with sponsorship

As a rule, E.ON Italia Group Employees may extend invitations to Business Partners and Competitors of the Group for cultural or sports events sponsored by the Group itself within the scope of its social commitment. If necessary,

justifiable guest travel, catering and accommodation costs may be covered by the E.ON Italia Group. However, these costs must be of appropriate value and in line with the personal standard of living of the people involved. Whenever in doubt, one must consult with the Compliance Officer beforehand.

It is permitted to invite personal companions and guests (in the case of an excessively expensive event, reimbursement of expenses must be requested). However, if costs are completely covered by the Group, the Compliance Officer must be informed in advance.

dd) Events of generally social nature

Executives (top management) from the fields of politics, business, media and culture may be invited to events that are generally social in nature (sport events, cultural events, theatre performances, concerts, etc.).

As a rule, the costs of travel to the event and accommodation are borne by guests themselves. The Compliance Officer must be informed of all exceptions in advance.

As a rule, it is permitted to invite personal companions or guests. The Compliance Officer must be informed that the costs relating to such events will be paid by the Group beforehand.

#### d) Catering

Catering services may be offered to third parties as long as they are appropriate and justifiable. This means that catering may only be offered if it serves a justifiable purpose related to the business, is not unduly luxurious, and it takes place within the scope of normal business dealings (e.g. lunch during a discussion, or a reception following an event).

#### e) Meeting and board meetings

All meetings and other events held by the E.ON Italia Group company committees must comply with the corporate object set forth in the Company's Articles of Association. It is not allowed to hold meetings or events that are not directly related to the object of the business or are not designed to serve the purpose of the business.

To maximize transparency, an unbiased, uninvolved third party should be able to recognize at any time the subject and purpose of the event as well as to follow the course of the events. Therefore, agenda and issues discussed must be documented in a clear and understandable manner (agenda, minutes, list of attending participant).

As a rule, committee meetings are held at the company headquarters or at an E.ON Italia Group site or another location indicated by the chairman of the Board of Directors based on objective, logistical criteria.

f) Foreign Countries

Exceptions to the aforementioned principles may be made in countries in which it is customary and polite to give presents. This is subject to the approval of the respective superior and coordination/agreement with the Compliance Officer.

However, gifts given with the intention of urging a foreign office-bearer to display certain behavior in order to win a contract or gain an unfair advantage for himself or herself or a third party are expressly forbidden.

g) Selecting suppliers and service providers

Suppliers and service providers are selected using an orderly rule, on the basis of objective and plausible criteria. Contracts are to be awarded through invitations to tender whenever possible.

## **B-II. Conflict-of-interest situations**

### **1. Financial investments**

Employees who have acquired/are planning to acquire material financial stakes in competing enterprises, customers or suppliers are bound by a duty of disclosure to/require the prior written approval of their Compliance Officer.

Material financial stakes held by Employees' immediate family members that might result in a conflict-of-interest situation must also be disclosed.

"Material financial stakes" means any direct or indirect financial interest amounting to an amount in excess of one percent of quotas/shares representing the capital of the holding.

### **2. Secondary employment**

By secondary employment we mean the carrying out of functions in addition to that/those already covered in the E.ON Italia Group, at a company not belonging to the Group, irrespective of the position assumed in the latter. Moreover, the following positions have particular importance:

- Chairman of the Board of Directors or CEO;
- Supervisory Board Member or member of and administrative or advisory board;
- normal employee.

Except as agreed otherwise, secondary employment with a competitor, customer or supplier requires prior approval of

the relevant Compliance Officer.

Employees are furthermore required to disclose any other secondary employment which could have a negative impact on their performance at E.ON Italia.

### **3. Business opportunities**

Employees must not use for their own personal gain or that of third parties any business opportunities that materialize for an E.ON Italia Group company.

### **4. Other conflict-of-interest situations**

Where not established otherwise, the purchase, sale, renting or leasing for a value of more than € 2,500 a month, of properties or other assets by Employees or their direct family members, from or to a Company belonging to the E.ON Italia Group, must be notified well in advance to the Compliance Officer.

In the same way, the existence of mortgages, warrantees and performance bonds granted by a Company of the E.ON Italia Group to Employees and their direct family members must be notified.

### **B-III. Confidentiality**

Employees are prohibited from disclosing confidential information or trade secrets (e.g. financial data, business strategies, planned transactions) to unauthorized third parties, even after their employment contract has ended.

Employees are prohibited from directly or indirectly using confidential business information for their own personal gain or that of third parties, or for the detriment of the E.ON Italia Group, even after their employment contract has ended.

For the purpose of standardising the company image of the E.ON Italia Group with the public, Employees are required to immediately forward to the Corporate Communications department, or to another relevant department, any requests received from information bodies or analysts.

All Employees are responsible for actively ensuring that third parties cannot gain access to confidential information (protection against industrial espionage).

### **B-IV. Insider Trading**

Strict observance of the E.ON Group anti-insider trading guidelines is required in order to prevent any infringements against insider trading laws and to prevent any subsequent charge or conviction.

## **B-V. Special Employee benefits**

Any special benefits or discounts granted to employees by any Group company are subject to formal approval by the Company Management. These benefits may only be granted to all Employees or closely specified groups of Employees. The granting and acceptance of special benefits or discounts that do not meet these criteria is prohibited.

## **B-VI. Use of company properties or resources**

The misuse of personnel resources or company property for non company-related purposes is prohibited.

## C. Practical implementation of the Code

### C-I. Compliance Officer of the E.ON Italia Group

The Compliance Officer, appointed by E.ON Italia, is responsible for the presentation, implementation and observance of the E.ON Italia Group Code of Conduct.

The Compliance Officer manages and resolves in an independent and objective manner all issues and situations directed to him/her.

The Compliance Officer enjoys the widest autonomy in his/her own area of activity; he/she reports to the E.ON Italia Board of Directors, but is not subject to its authority.

Notwithstanding the above, in any case, the Compliance Officer is entitled to report his/her activity directly to the Compliance Officer appointed in E.ON AG.

The Compliance Officer answers to Employees' questions and advises them on matters relating to the Code. The Compliance Officer and his/her staff are bound to treat all information in the strictest of confidence.

The Compliance Officer must record and follow up on all information they receive with due care; all information must be treated as strictly confidential. If the Compliance Officer has accumulated sufficient evidence indicating a potential infringement of the basic principles of the Code, he/she must include the relevant personnel or other department in further proceedings.

The E.ON Italia Group explicitly invites all Employees to contact the Compliance Officer for any problem relating to the Code, guaranteeing that Employees who contact the Compliance Officer, transmitting data or information of any nature, are treated with total confidentiality. Their identities shall also be kept anonymous, without prejudice to legal requirements and they shall receive full protection from any forms of professional penalisation or from other negative consequences.

The Compliance Officer of the E.ON Italia Group is Dr. Fabio Gandini, of E.ON Italia.

## **C-II Compliance Officers at Companies of the E.ON Italia Group**

A Compliance Officer is appointed at each Company of the Group and is assigned by the Board of Directors to manage, within the Company to which he/she belongs, all aspects linked to the spread and application of the Code, together with the Compliance Officer of E.ON Italia. If no specific nomination is made, the Compliance Officer of the E.ON Italia Group must be contacted.

Within the context of the Officer's own company, his/her own duties and functions are the same as those of the Compliance Officer of the E.ON Italia Group. In this limited context, therefore, references in the text of the Code, to the Compliance Officer are to be understood as also referring to the Compliance Officer in the Group's Companies.

The Compliance Officer enjoys the widest autonomy within his/her own sphere of action; he/she reports his/her work to the Board of Directors of his/her own company, but is not subject to its authority.

In any case, notwithstanding the above, the Compliance Officer reports his/her own activity directly to the Compliance Officer of the E.ON Italia Group.

Every Co-worker, irrespective of the Compliance Officer in the Company to which he/her belongs, may contact the Compliance Officer of the E.ON Italia Group directly for any matter of significance.

### **C-III. Disciplinary measures**

Any infringement of the basic principles of the E.ON Italia Code of Conduct may result in disciplinary measures or sanctions under labor legislation, in accordance with usual corporate practice.



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