



2i RETE GAS SUSTAINABILITY POLICY

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2i Rete Gas has defined its own Sustainability Policy as a guidance document aimed at pursuing sustainability while ensuring a responsible business management.

As a result, this Sustainability Policy has been outlined in order to support the integration of material topics, reflecting the organisation's most significant impacts on the economy, environment and people, including impacts on human rights, in the corporate strategy and operations of 2i Rete Gas, with the intention of playing an active role in the transition towards a more sustainable economy from an environmental, social and governance (ESG) perspective, managing its activities responsibly, implementing commitments to generate and distribute value, and taking some global challenges into due account.

WHY ADOPT A SUSTAINABILITY POLICY

The essence of the document is indeed to confirm, strengthen and, at the same time, develop all those guiding values on which the Group's identity is based, with the aim of raising awareness in respect of the commitments undertaken in the area of sustainability and set out the implementation principles to be followed in order to pursue a balanced development in the medium and long term.

For this reason, the Policy highlights, endorses and sets out the Company belief that in order to create a sustainable long-lasting value, business growth must promote respect for individual personality and inalienable human rights in the conduct of corporate activities and along the value chain, in accordance with the requirements of local, national and supranational regulations and, at the same time, must respect the principles of legality, integrity, impartiality and transparency, on the basis of an integrated strategy, applying in the meanwhile continuous improvement practices as well as operation efficiency and cost-effectiveness criteria.

By drawing inspiration from the most widely accepted **standards of responsible business** issued by leading international organisations and contextualising them with its own operating backdrop, 2i Rete Gas has identified and defined the priority lines of action and commitments that will drive its contribution to achieving a more sustainable future, including:

- the Declaration on Fundamental Principles and Rights at Work of the International Labor Organisation (ILO) and the relevant applicable conventions;
- the 10 principles of the UN Global Compact;
- the UN's Sustainable Development Goals (SDGs).

REFERENCE STANDARDS

PRIORITY LINES OF ACTION AND COMMITMENTS

Stimulate everyone's contribution

2i Rete Gas is committed to putting **people** at the heart of its business, ensuring their respect, encouraging their engagement and development in terms of their ability to contribute and promoting a culture based on diversity empowerment, inclusive approaches and exchange, so that everyone can unleash their full potential and continue to enhance their skills, contributing, responsibly and proudly, to the improvement of the company performance.



Ensure efficiency, quality and safety

2i Rete Gas is committed to managing its **assets** by endeavouring on a daily basis in order to guarantee the best service to its clients by achieving incremental standards of technical and commercial quality, while at the same time pursuing operation efficiency and cost-effectiveness criteria.



Distribute energy for a more sustainable future

2i Rete Gas, while pursuing environmental protection and safeguard principles, is committed to promoting and implementing initiatives to ensure a sustainable evolution of the gas infrastructure in the medium to long term, the aim being to provide its support in establishing a new energy paradigm with reduced impact on the **environment**.





Create shared value

In its relations with **stakeholders**, 2i Rete Gas strives to act as a competent, reliable and focused partner. A partner who places at the core of its management practices the pursuit of operational excellence and the ability to pick up and carry through the challenges faced by the industry, providing practical answers to specific needs as a way to contribute to the development of the local areas in which it operates, and is driven by a fully supportive spirit and an approach geared towards the creation of long-term shared value.

The sustainable development commitments that 2i Rete Gas has set out and disclosed through this Policy are driven and underpinned by **prerequisites**, i.e. aspects considered to be essential, as well as by implementation principles that identify the priority areas of action to focus on and develop.

PREREQUISITES AND IMPLEMENTATION PRINCIPLES

2i Rete Gas views the **creation of sustainable economic value** as a key enabler in ensuring business continuity in the long term, bearing in mind that such value is geared not only towards shareholders and bondholders but also towards generating positive impacts inside and outside the organisation and, therefore, for all stakeholders (such as employees, suppliers and contractors, concession-granting authorities, sales companies, network end clients).

In addition, to 2i Rete Gas corporate responsibility means managing activities in a way that is based on fairness and on the choice of considering **listening to stakeholders, compliance with laws and regulations, business ethics** and **anti-corruption** as essential aspects on which to build an integrated sustainability strategy.

The Group is committed to operating in compliance with the ethical principles of legality, integrity, impartiality and transparency in all its relations with stakeholders, **promoting full compliance with laws and regulations, rejecting all forms of active and passive corruption** while acting in accordance with the highest standards and best practices of good corporate governance.

By adopting (i) the Charter of Values, which represents a guide to the actual conduct that all employees, starting from top management, are required to follow, including in their relations with stakeholders; (ii) its own Organisation, Management, and Control Model pursuant to Italian Legislative Decree 231/2001; (iii) its own Code of Ethics, which sets out the ethical and conduct principles to which the Group and its employees and collaborators must be inspired and which they must comply with in carrying out their activities; (iv) the Policy on ethics in business, harmonising, summarising and describing the principles, paradigms and organisational and operational controls already put in place by the Group to promote a corporate culture based on honesty, integrity and fairness; and further by relying on internal controls and continuous internal and external training on regulations and best practices applicable to the industry, anti-corruption

regulations and administrative accountability of legal persons relating to offences pursuant to Italian Legislative Decree 231/2001, the Group ensures compliance with the regulations applicable to the company business by its own employees, including in dealings with all the entities it engages with, whether directly or indirectly, including Public Administration and external suppliers.

Supervision of the application of the Model is ensured by the Supervisory Body, to which all company departments periodically report their activities with a view to possible "231 Model impacts" based on specific company reporting procedures.

In addition, as required by the Code of Ethics, and consistent with amendments to the **whistleblowing** rules and regulation, the Group provides stakeholders, including its own employees, with specific communication arrangements through which they can directly report to the Supervisory Bodies of the individual companies any violations or alleged violations of the Code of Ethics and the Model. In this regard, the Group promptly arranged for its Model to comply with the rules on whistleblowing, establishing, among other things, sanctions against managers, directors and statutory auditors who infringe the privacy of the individuals' reporting or who take discriminatory or detrimental actions against such individuals because of their reports.

PRINCIPLES FOR IMPLEMENTING COMMITMENTS



Stimulate everyone's contribution

2i Rete Gas is committed to putting **people** at the heart of its business, ensuring their respect, encouraging their engagement and development in terms of their ability to contribute and promoting a culture based on diversity empowerment, inclusive approaches and exchange, so that everyone can unleash their full potential and continue to enhance their skills, contributing, responsibly and proudly, to the improvement of the company performance.

This commitment is reflected in **respect for personal and inalienable human rights** in the conduct of the company business and along the value chain in compliance with the requirements of local, national, and supranational regulations governing the protection of Human Rights, as well as in respect for the **constitutional principles of parity and equality**. This includes the recognition of **equal opportunities** for all employees, rejecting all forms of discrimination – gender and gender identity, age, civil status, race, nationality, sexual orientation, health, political opinions and religious beliefs – and viewing **diversity** – in terms of gender, age, abilities and cultural background – as a source of value.

Based on these assumptions, 2i Rete Gas's focus on its human capital, also with a view to pursuing **gender parity** and backing **women's empowerment**, extends to

all employee recruitment, training, and development processes. The Group implements recruitment processes based on the utmost **transparency** and delivers training plans designed to **develop skills** consistent with business operations. In order to stimulate everyone's contribution, the Group promotes an approach that is both geared towards **exchanges** and instrumental in encouraging the **sharing of experiences** and **exchange of knowledge**.

It implements a **merit-related policy** based on the assessment of conduct, personal commitment, results achieved and self-development pursued by personnel, in addition to narrowing the gender pay gap.

It sets out to drive **engagement** based on listening, dialogue, and communication endeavours, with a view to encouraging **participation**, **empowerment** as well as the spreading and maintenance of a constructive and inclusive corporate environment, free from all forms of harassment, also with the aim of initiating initiatives to identify and remove any unconscious bias.

2i Rete Gas also recognises the need to **facilitate its employees' work-life balance** by identifying practicable solutions aimed at increasing flexibility, to facilitate individual family care and assistance responsibilities and to reduce states of vulnerability, also through participatory approaches.

Finally, the Group protects the **health and safety** of its employees and the employees of contractors, providing a healthy and safe working environment and promoting initiatives aimed at increasing awareness of risks and enabling better risk management, with a view to intensifying prevention and reducing the likelihood of injuries and accidents.



Ensure efficiency, quality and safety

In the belief that the Group approach to sustainability is closely linked to the characteristics of its business and its commitment to ensuring a safe, continuous, reliable and timely service delivered with a view to going well beyond mere compliance with the standards required by regulations, 2i Rete Gas is committed to managing its **assets** by endeavouring on a daily basis in order to guarantee the best service to its clients by achieving incremental standards of technical and commercial quality, while at the same time pursuing operation efficiency and cost-effectiveness criteria.

In pursuing **ongoing improvement of the supervision on infrastructure** and **service performances**, the Group has identified the **digital development** of networks and processes as one of the main levers through which to increase the value and reduce the vulnerability of plants while meeting the growing expectations of its key stakeholders, according to distinct priority areas of action.

More specifically, primary objectives are **safety** and **service continuity** for user communities. To this end, the Group monitors performance in this area by:

- **conducting preventive controls to ensure a proper monitoring of safety**

conditions, preventing failures and leakages and managing maintenance on a predictive basis;

- **acting promptly in potentially dangerous situations.**

From a service **commercial quality** perspective, 2i Rete Gas monitors its performance through preventive controls designed to ensure full compliance with the regulations.

With reference to **metering** activities, through technological innovation, 2i Rete Gas sets out to:

- provide sales companies with more timely data on consumption, **allowing invoicing to be more consistent with actual usage;**
- increase the awareness of end clients regarding consumption, **showing more clearly the effects of energy efficiency initiatives.**



Distribute energy for a more sustainable future

In the belief that natural gas will play a key role in the transition to a more efficient and sustainable energy system and that the related distribution infrastructure will be able to respond to further future purposes in new scenarios, 2i Rete Gas, while pursuing environmental protection and safeguard principles, is committed to promoting and implementing initiatives to ensure a sustainable evolution of the gas infrastructure in the medium to long term, the aim being to provide its support in establishing a new energy paradigm with reduced impact on the **environment**, according to three priority areas of action.

On the one hand, the Group sets out to act as a **promoter and implementing entity of the transition process** based on work streams started in several areas, such as:

- **leveraging the gas infrastructure as a resource to support the integration of renewable sources and increase the efficiency of housing stock**, also by adopting a commercial development model that prioritises the use of gas to replace more polluting fuels and **supporting gas advocacy initiatives**, considering certain industry trends that do not seem to value and imagine an evolutionary role for gas infrastructure in the medium/long term, including as a carrier of alternative forms of gas linked to renewable energies;
- pursuing **advanced asset uses with a view to green objectives**, or the **growing commercial proposals with biomethane producers** and the **study of viable solutions to resolve technical limitations and encourage experimental initiatives for the introduction of synthetic gas** (power-to-gas);
- expanding its scope of operations in support of decarbonisation by submitting **energy efficiency proposals**, with the intention of supporting the Public Administration in making investments to reduce the energy consumption of buildings and plants for the benefit of the community.

On the other hand, 2i Rete Gas aims to **minimise the impact of its operations on the surrounding environment**. Indeed, in the pursuit of continuous improvement of its management systems and constant compliance with international standards

and best practices, the Group conducts its business in accordance with environmental laws and regulations, relying on some of the main guidelines on responsible environmental management through initiatives such as:

- monitoring of legislative developments in this area in view of the introduction of necessary management adjustments and the definition of improvement objectives and programmes;
- systematic identification of environmental risks and the effects of climate change, ensuring appropriate control through suitable monitoring measures, including continuous monitoring, complete with periodic reporting and specific mitigation and control actions;
- quantification for the progressive reduction of energy consumption and direct impacts such as waste, atmospheric emissions of CO₂ and fugitive emissions of CH₄ from managed infrastructure;
- raising awareness among employees and business partners about an environmental responsibility culture and the conscious use of natural resources.

Lastly, operating in highly anthropized contexts, 2i Rete Gas is committed to **protecting biodiversity**, assessing whether additional safeguards should be put in place over and above the protection already provided by legislation or the possibility to start specific activities designed to prevent harm to animal and plant life present in the territory in which the Group operates, taking care to preserve them.



Create shared value

2i Rete Gas, being fully convinced of the sustainability of natural and innovative gases and being aware of the role it plays in the creation of shared value for all those who interact with the Group or are affected by the conduct of its business, in its relations with **stakeholders**, strives to act as a competent, reliable, and focused partner. A partner who places at the core of its management practices the pursuit of operational excellence and the ability to pick up and carry through the challenges faced by the industry, providing practical answers to specific needs as a way to contribute to the development of the local areas in which it operates, and is driven by a fully supportive spirit and an approach geared towards the creation of long-term shared value.

By adopting a conduct based on transparency, fairness, and traceability, 2i Rete Gas also aims to collaborate with Public Institutions and Authorities, making its know-how available to them, by **participating in consultation procedures** aimed at issuing measures and resolutions designed, in particular, to address and outline future governance strategies in the energy industry that will produce **more effective and efficient impacts for the local community**. At the same time, the Group sets out to perform its activities by applying continuous improvement methods and management efficiency and economy criteria, in particular generating **positive impacts for the communities served by the network**. With this in mind,

2i Rete Gas pursues **incremental levels of technical and commercial quality** and also works to **progressively reduce operating costs**, the underlying goal being to **return value to the community and its main stakeholders** (municipalities and local authorities; sales companies; end customers) by ensuring a **safe, uninterrupted, reliable and timely service** and **lowering the incidence of distribution service costs**, as reflected in the final bill, according to industry regulations.

The Group intends to **continue developing dialogue channels and tools, as well as listening initiatives** designed for its customers (municipalities and local authorities; sales companies; network end clients), **constantly monitoring their satisfaction levels to improve them.**

A further action area is to be found in **supply chain management, based on ethics, transparency, and mutual value creation.** 2i Rete Gas therefore aims at selecting its suppliers based on their expertise, know-how, and ability to share its own principles, including by staging ad-hoc listening and dialogue sessions, the goal being to forge long-lasting relationships geared towards common growth that will ensure an ever more fruitful collaboration and the achievement of ever higher qualitative, social and environmental performance levels.

2i Rete Gas commitments to sustainable development do not end with the distribution of methane as are driven by a broader sense of responsibility that is reflected in the Group will to contribute to the achievement of some of the 17 Sustainable Development Goals (SDGs) outlined by the United Nations in 2015. Indeed, the Group has identified a number of Goals on which it is committed to act concretely and which represent a driver to guide its business model towards an inclusive, responsible and sustainable development.

UNITED NATIONS DEVELOPMENT GOALS

APPROVAL, APPLICATION AND DISSEMINATION

The first edition of the Sustainability Policy was issued in 2020 while the current and third edition was formally approved by the Board of Directors of 2i Rete Gas S.p.A. on 27 March 2023. The Policy, in addition to being reviewed annually and, if appropriate, adjusted according to the results of the annual update of the materiality analysis and the approaches guiding the evolution of the Sustainability Framework on which it is based, may be updated upon relevant regulatory changes and/or opportunities to clarify and add to the commitments and implementation principles it aims to outline and monitor.

It applies to all the Group companies over which 2i Rete Gas has control together with the laws and regulations in force; the guiding and conduct principles set out in the Group Charter of Values and Code of Ethics; the Organisation, and Management Model pursuant to Italian Legislative Decree 231/01 and other guidance documents adopted by the Group, in accordance with the provisions, procedures and operating instructions progressively issued to govern the



activities of company departments.

2i Rete Gas strives to promoting awareness of the commitments it has undertaken in sustainability to pursue a balanced evolution in the medium and long term, disseminating the Sustainability Policy in its entirety to employees through its corporate intranet and making it available to interested external stakeholders by publishing it on the Parent Company website. At the same time, 2i Rete Gas will promote the knowledge and the sharing of this document also in respect of people and companies that – by virtue of their dealings with the Group companies – may influence compliance with some of the commitments set out therein.

IMPLEMENTATION, GOVERNANCE AND MONITORING

By providing an overview of the aspects that are relevant to 2i Rete Gas from an environmental, social and management perspective, the Sustainability Policy plays a key role as an expression of the Company's will to implement the gradual **integration of ESG factors into the Group governance** of the Group. Indeed, it steers and reflects the commitments that the Group has defined with respect to the prerequisites and material topics, which are in turn set out in the Sustainability Plan as qualitative and quantitative goals to be achieved in the short, medium and long term by deploying concrete initiatives, which can be measured through specific KPIs and according to specific targets set beforehand. By structuring the projects defined in sustainability on a four-year basis, **the Sustainability Plan therefore qualifies as the programmatic document whereby 2i Rete Gas puts in place the commitments and implementation principles set out and established by this Policy** and through which it aims to contribute, most notably, to the achievement of some SDGs recognised as relevant to the business and consistent with the Group strategic development path.

To transfer the corporate commitments to the entire organisation, and therefore to ensure the maintenance of the provisions stated in the Sustainability Policy and achieve the goals set out in the Plan even if specifically dedicated resources are unavailable, 2i Rete Gas has adopted a **widespread model** of sustainability management considered to be functional. This model entails identifying several profiles tasked with supervising, in terms of implementation and monitoring, the Sustainability Plan according to different levels of responsibility: **Sponsor; Project and Process Owner; Data Provider**. The tasks assigned to the above-mentioned profiles, as a whole, complement those pertaining to the **Sustainability and Transparency Working Group** and to the **Steering Committee**, whose duties include, respectively:

- supporting Management in matters relating to sustainability by integrating it into the business processes and suggesting a progressive development of the initiatives, assisting Project and Process Owners in reaching the targets set out in the Plan;
- defining updates to the Sustainability Policy and Plan and ensuring the achievement of the goals formally approved by the Board of Directors.

Lastly, upon considering stakeholder engagement as fundamental, the Group undertakes to report annually on its social, environmental and economic performance, highlighting progress made in keeping commitments and achieving sustainability goals by relying on corporate reporting documents while monitoring compliance with this Policy and maintaining an active dialogue with stakeholders.