

2i RETE GAS SUSTAINABILITY POLICY

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SUSTAINABILITY POLICY REASONS

2i Rete Gas is a reference point in the Italian natural gas distribution industry. In the light of the experiences and changes in which the organisation was involved, the stakeholders and also the reference regulatory context, the Group decided to adopt a new Sustainability Policy, consisting in a document providing guidance on (i) business decisions with a view to sustainability, (ii) the assumption of firm commitments and (iii) the definition of implementation principles to be followed to ensure responsible business management.

This Sustainability Policy has been drawn up with the aim to foster the integration of sustainability topics into the business strategy and performance of 2i Rete Gas, which is meant to play an active role in the transition towards a more sustainable economy from the environmental, social and governance perspective.

The essence of the document is to strengthen and, at the same time, develop all those guiding values on which the Group own identity rests, and to raise awareness of the commitments undertaken in the area of sustainability in order to pursue a balanced development in the medium and long term.

Furthermore, the Policy formalizes and sets out the Company belief that in order to create a sustainable and long-lasting value, business growth must be combined with respect for the principles of legality, integrity, impartiality and transparency, on the basis of an integrated strategy, while applying, at the same time, continuous improvement practices as well as operation efficiency and cost-effectiveness criteria.

Drawing inspiration from the most widespread responsible business standards and contextualizing them into its own context, 2i Rete Gas has identified the commitments and priorities through which enhance its contribution to a more sustainable future.

COMMITMENTS

Stimulate everyone's contribution

2i Rete Gas is committed to putting **people** at the heart of its business, encouraging their engagement and development in terms of their ability to contribute and promoting a culture based on participation and exchange, where everyone can continue to improve their skills and unleash their full potential, adding responsibly and proudly to the Company's performance.



Ensure efficiency, quality and safety

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

Distribute energy for a cleaner future

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



Create shared value

In its relations with **stakeholders**, 2i Rete Gas intends 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 commitments regarding sustainable development that 2iRete Gas has defined and made public through this Policy are furthered and underpinned by prerequisites, i.e. topics that are considered essential, and implementation principles that identify the priority scopes of action to be taken and develop.

PREREQUISITES AND IMPLEMENTATION PRINCIPLES

PREREQUISITES

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

The first cornerstone through which the corporate responsibility is performed is the proper business management, considering essential aspects such as **listening to stakeholders, regulatory compliance, ethics** and **anti-corruption**, as the basis to build an integrated sustainability strategy.

The Group strives to operate complying with ethical principles of legality, integrity, impartiality and transparency in all of its relations with the stakeholders, **promoting the full compliance with current legislation as well as with the highest ethical standards and avoiding any form of active and passive corruption.**

The Group controls the compliance with applicable business regulations of its employees also in the relations with all those who interact directly or indirectly with the Group, including the Public Administration and external suppliers through the (i) current Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, tracking sensitive or risky corporate processes and the related organisational, precautionary and control measures in place which are aimed at eliminating the so-called “risk of crime”; (ii) Code of Ethics, defining in detail the principles of ethics and conduct which the Group and its employees and collaborators are required to observe and comply with in the discharge of their duties; (iii) the definition of specific organizational provision, procedures and operating instructions, as well as (iv) through on-going internal and external training on best practices and policies about anti-corruption regulations and administrative liability pursuant to Italian Legislative Decree no. 231/2001. The overseeing on the Model application is finally ensured by the Supervisory Body (Organismo di Vigilanza), to which all corporate departments periodically report their activities with a view to “231 impacts” following specific corporate reporting procedures.

IMPLEMENTATION PRINCIPLES OF COMMITMENTS



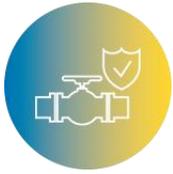
Stimulate everyone's contribution

2i Rete Gas is committed to putting people at the heart of its business, encouraging their engagement and development in terms of ability to contribute and promoting a culture based on participation and exchange, where everyone can continue to improve their skills and unleash their full potential, contributing responsibly and proudly to the Company's performances.

This commitment lists, besides promoting the **respect for personal and inalienable human rights** in business activities and throughout the value chain in accordance with the provisions of local, national and supranational regulations in defense of Human Rights, the recognition of **equal opportunities** for all employees, rejecting all forms of discrimination –of age, sex, sexual orientation, health condition, race, nationality, political opinion and religious beliefs– and, indeed, enhancing **diversity** through **inclusive approaches**.

Starting from these assumptions, the attention that 2i Rete Gas addresses to its human capital extends to all employee selection, training and development processes. The Group implements selection processes based on maximum **transparency** and delivers training programs aiming to the **development of skills** consistent with the business activity, with the final goal of stimulating everyone's contribution, while promoting at the same time the mutual **experience sharing** and **knowledge exchange**. 2i Rete Gas implements a meritocratic policy based on the assessment of people's conduct, performance, competences and commitment, fostering a corporate culture based on **dialogue, engagement** and **empowerment** through communication and listening initiatives, aimed at easing the diffusion and maintenance of a positive work environment. In addition to this, 2i Rete Gas recognizes the need for researching a **correct balance between professional and personal life of its employees** by committing to seek concrete appropriate solutions.

Finally, the Group is committed to protecting the **health and safety** of its employees and of the contractors' employees, providing a healthy and safe working environment and promoting initiatives aimed at increasing the awareness on risks and enabling better risk management, thus promoting the prevention and reduction of possible injuries and accidents.



Ensure efficiency, quality and safety

In the belief that the Group's sustainability approach cannot disregard business features and commitment to guarantee the offering of a safe, uninterrupted, reliable and timely service, as well as intended to exceed the mere compliance with the regulations standards, 2i Rete Gas is committed to managing its assets by endeavouring on a daily basis to **guarantee the best possible service to its clients** by achieving **incremental standards of technical and commercial quality**, while **pursuing operation efficiency and cost-effectiveness criteria**.

In pursuing the **constant improvement in the supervision of the infrastructure management** and of **service performance**, the Group has identified in the **digital development** of network and processes, one of the main levers to increase the value and reduce the vulnerability of plants, as well as a way to satisfy the growing expectations of its main stakeholders, according to different priority scope of actions. More specifically, regarding **safety and continuity**, the Group's main goal is to offer a safe service for all the communities it serves; that's why it monitors the performance characterizing the ability to:

- **carry out preventive inspections to ensure a proper monitoring of safety conditions, preventing failure and leakages and managing on a predictive basis the maintenance works;**
- **intervene promptly in potentially dangerous situations.**

From the **commercial quality** service point of view, 2i Rete Gas monitors its performance through preventive inspections to ensure strict compliance with regulations. With reference to the **metering** service, thanks to the technological innovation 2i Rete Gas intends to:

- **provide sales companies with a more timely data on consumption, allowing better invoicing tailored on real use;**
- **increase the end clients' awareness on their consumption supporting the evaluation of energy efficiency initiatives.**



Distribute energy for a cleaner 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 all the related gas distribution infrastructure will respond to other future challenges in new scenarios, 2i Rete Gas is committed to promoting and implementing initiatives designed to ensure a sustainable evolution of gas infrastructure in the medium to long term and compliance with principles of environmental protection and safeguard, with the aim being to provide its support in establishing a new energy paradigm for a future with reduced impact on the environment, according to two priority areas of action.

On one side the Group intends to act as a **promoter and a player of the transition process** through several lines of work, such as:

- the **promotion of gas as a resource for the transition to a cleaner future** through a **commercial development model**, which is geared towards the **replacement of more polluting fuels and the supporting of gas advocacy initiatives**, designed to give further value to gas as an ideal fossil source to sustain the development of renewable sources, since it is free of particulate matter and has low CO₂ emissions and flexible and efficient; this in response to some industry trends which do not seem to enhance the potential of the evolutionary role played by the gas infrastructure on medium and long term, including its role as a vector of alternative gas solutions and renewable sources;
- the pursuit of **advanced asset uses with a view to green targets**, increasing **contacts with companies producing biomethane** and looking into **viable solutions to address technical limitations and encourage experimental endeavours for feeding synthesis gas into the network** (power-to-gas);
- the expansion of its scope of operations in support of decarbonisation by submitting **energy efficiency proposals**, supporting the Public Administration's investments for the buildings and technological systems reduction of energetic consumption for the benefit of the community.

On the other side, 2i Rete Gas aims to **minimize the impact of its business operations on the surrounding environment**. Pursuing the continuous improvement of its management system and the constant compliance to international standards and best practices, the Group conducts its own activities in the full compliance with the relevant legislation and environmental regulation, drawing inspiration from the main guidelines about a responsible environmental management, through initiatives of:

- monitoring of the relevant legislative framework which is preparatory to the necessary management adjustments and to the definition of goals and improvement programs;
- systematic identification of environmental risks, ensuring a proper amount of control through appropriate measures in order to (i) contain and reduce the potential impacts, (ii) constant monitor the performances, (iii) forecast a minimising approach for the natural resources and consumption as well as biodiversity protection;
- promotion and sensibilization among the employees and business partners towards a culture of environmental responsibility and of a conscious use of natural resources.



Create shared value

Given the full belief of innovative and natural gas sustainability and being aware of its role in the creation of shared value for all those who interact with the Group or are impacted by it, 2i Rete Gas in its relations with **stakeholders**, intends 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 Group aims at **pursuing the development of dialogue channels and tools, as well as listening initiatives** addressed to its clients (municipalities and local authorities; sales companies; end clients of the network), **while constantly monitoring their level of satisfaction in order to improve them.**

Moreover, by committing to transparency, fairness and traceability, 2i Rete Gas sets out to collaborate and share its know-how with Public Institutions and Authorities, by **participating in consultation procedures aimed at issuing measures and resolutions designed to outline future governance strategies for the energy industry which produce an increasingly effective and efficient impact on the territory.** At the same time the Group sets out to develop initiatives in conjunction with Institutions and partners aimed at **carrying out activities that contribute to creating a positive impact on the communities served by the network.**

A further scope of action is represented by the **management of the supply chain, based on ethics, transparency and on the creation of mutual value.** Therefore, 2i Rete Gas aims at seeking expertise, know-how and sharing of its own principles also through dedicated dialogue and listening opportunities, in order to build long-lasting and mutual growth-oriented relationships which allow the progressive improvement of collaboration and the achievement of high-performance levels from a qualitative, social and environmental perspective.

The commitment of 2i Rete Gas in terms of sustainable development does not end with the distribution of methane but are guided by a broader sense of responsibility which is reflected in the Group's commitment to contribute to the achievement of some of the 17 Sustainable Development Goals (SDGs), outlined by the United Nations in 2015. The Group has identified some Goals on which it undertakes to act concretely and which represent a driver to guide its business model towards inclusive, responsible and sustainable development.

UNITED NATIONS DEVELOPMENT GOALS

IMPLEMENTATION E MONITORING

The Sustainability Policy was formally approved by the Board of Directors of 2i Rete Gas S.p.A. on 25th March 2020. Since then, it has been applied to all the Group companies over which 2i Rete Gas S.p.A. has control and it is applied, together with the laws and regulations in force, the guiding and conduct principles set out in the Group's Charter of Values and Code of Ethics, the Organisation and Management Model pursuant to Italian Legislative Decree no. 231/2001 and other policy documents adopted by the Group, as it has been progressively detailed also in the Sustainability Plan and in the provisions, procedures and operating instructions that govern the operations of corporate departments.

2i Rete Gas is committed to keep the current Policy effective, by communicating it to company personnel through the corporate Intranet and sharing it with interested stakeholders on the Group's website. At the same time the Group wants to promote knowledge and sharing of the Policy also to people and contractors who, while working for or interacting with Group's companies, can influence the respect of some of the commitments therein defined.

Furthermore, considering the stakeholders' involvement as fundamental, the Group is committed to annually report its economic, environmental and social performance, while highlighting the progress achieved from time to time with respect to the targets set out in the Sustainability Plan, monitoring compliance with the Policy and at the same time maintaining an active dialogue with stakeholders.