



2i Rete
Gas

SUSTAINABILITY PLAN 2021: PROGRESS 2021 Overview

Milano

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first release

Structure of the Plan reviewed in 2021

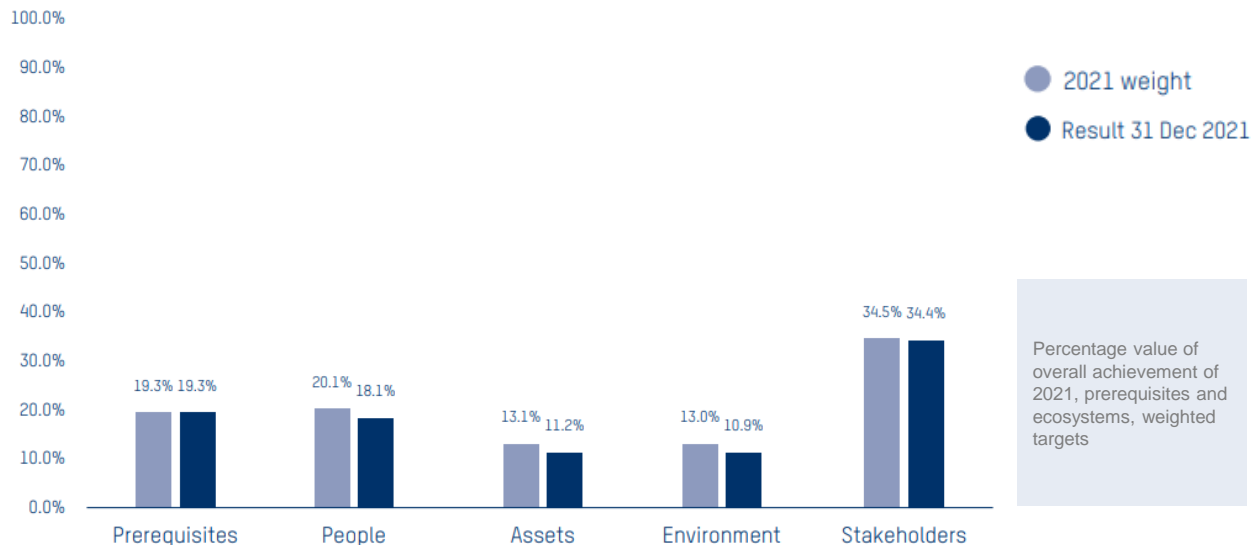
SUSTAINABILITY PLAN STRUCTURE



Progress of the Plan as at 2021

From a performance perspective, the **overall progress of the Plan over the 2020-2023 four-year period** stood at **36%** at 31 December 2021, consolidating a **93.80% completion rate regarding 2021 initiatives**.

COMPLETION RATES OF TARGETS ACHIEVED COMPARED TO TARGETS SET AS AT 31/12/21



GAPS



The gaps concerning People, Asset, Environment and Stakeholders' ecosystems, also due to external reasons, are attributable to n. **5 Not achieved Target** and to n. **3 Partially achieved Target**.

An overview of the commitments and implementations principles set out in the 2020 Sustainability Policy and of the **outcome arising from the final accounting process of the 2021 Sustainability Plan results**, are provided in the following slides.



Prerequisites



For 2i Rete Gas the prerequisites, i.e. issues that are considered to be crucial to ensuring a responsible management of corporate activities are:

- **regulatory compliance**
- **ethics and anti-corruption**
- **listening to stakeholders**
- **creating sustainable economic value**

Listening to
stakeholders

Compliance with laws and
regulations

Business ethics and
anti-corruption

Creating sustainable
economic value

Progress 2021



MATERIAL TOPIC: Listening to stakeholders					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Developing stakeholder external engagement activities	Increase in the number of meetings on ESG topics and performance with shareholders, rating agencies and third parties	• Number of meetings held per cluster of stakeholders	2021, 2022 e 2023	<ul style="list-style-type: none"> • Knowledge sharing about the actions performed and the progress achieved • Listing of expectations • Identification of possible issues and critical aspects 	 100%
	Designing and roll-out of the Materiality Analysis with an inclusive approach	• Number of internal or external stakeholders engaged	2021, 2022 e 2023	<ul style="list-style-type: none"> • Focusing on needs and expectations to be satisfied • Focusing on critical issues and risks to be mitigated • Identification of opportunities to be seized • Wider inclusivity 	 100%





MATERIAL TOPIC: Compliance with laws and regulations					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Ensuring an adequate Coverage Audit on Headquarters and Territorial departments' and a significant intensity of actions	Three-year period Audit planning (rolling) based on Risk Analysis and on the checks coming from the inspections	•Coverage audit % (Risk Analysis, Audit and FU) on the overall Headquarters and Territorial Depts. in the corporate organisation from 2014 up to the KPIs measurement moment	2023	Performances control and application of continuous improving methodologies	N.A.
	Development of the review activity through auditing and follow up projects.	•Average intensity Index			
Ensuring the implementations of preventive and corrective actions solicited by the Internal Audit department during the annual review process	Roll-out of the monitoring, held by the Internal Audit department, on the progress related to the plans on initiatives scheduled and developed by the corporate function. in charge	• finalisation % of the action plan at the presentation of the final Audit Plan of the year	2022-2023	Performances control and application of continuous improving methodologies	N.A.

Progress 2021



MATERIAL TOPIC: Business ethics and anti-corruption					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Spreading a culture of business ethics and anti-corruption	Periodic monitoring of the controls in place within the organisation and possible updating of the Policy on business ethics	• Updating meetings	2021, 2022 e 2023	Control of the monitoring outcomes as well as prompt and timely preparation of updates possibly considered appropriate and/or necessary	 100%
	Release of specific training courses on business ethics to be addressed to selected corporate functions	• Roll-out of the training program	2021-2022	Coverage, by 2022, of the overall panel of internal people to be trained as belonging to the corporate function considered more exposed to possible risks concerning identified types of crime	 100%

MATERIAL TOPIC: Creating sustainable economic value					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Creating an investment "cost-benefit" evaluation model	Roll-out of a structured cost-benefit analysis on main investments	• Manual reporting and reporting generated from a systemic implementation	2021, 2022 e 2023	Ex ante evaluation and better awareness of the impact generated from planned investments	 100%
	Reporting of the outcomes of the cost-benefit analysis on main investments	• Increase of the % of projects analysed ex ante on budget	2021, 2022 e 2023	Ex post accounting of the impact generated from the current investments and definition of possible strengthening and/or corrective actions based on the outcomes	 100%

Stimulate everyone's contribution



COMMITMENTS

IMPLEMENTATION PRINCIPLES

MATERIAL TOPICS

Zi 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 by:

- Promoting respect for personal and inalienable human rights, recognising **equal opportunities** for all employees, rejecting all forms of discrimination and, indeed, nurturing **diversity** through **inclusive approaches**.
- Encouraging **skill development**, **experience sharing** and **knowledge exchange** as well as implementing a **merit-related policy** based on the assessment of people's conduct, performance, competences and commitment.
- Furthering a corporate culture based on **dialogue**, **engagement** and **empowerment**.
- Managing the protection of the **health and safety** of its employees and collaborators.











Management, development and engagement of human capital

Diversity and welfare

Safeguarding health and safety






Progress 2021



MATERIAL TOPIC: Management, development and engagement of human capital (1/2)					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Enhancing the personnel recruitment model	Increased use of job posting in order to boost transversal skills	• Vacancies open through internal job posting on total vacancies ratio	2021, 2022 e 2023	<ul style="list-style-type: none"> Incremental % of vacancies covered via job posting for Headquarters and for the technical clerks at Territorial level; Skills and knowledge exchange Strengthening of the collaboration network between the various corporate divisions and functions 	 100%  100%
Managing and developing in-house skills and talent	Mapping of job position and of macro skills characterising each role and duty	• Number of mapped skills and duties	2021, 2022 e 2023	<ul style="list-style-type: none"> Finalization of the Job Evaluation project Baseline to set up of targeted and suitable courses and development programmes 	 100%
	Set up of professional development courses customised for Headquarters staff roles	• Courses organised within the staff scope / overall corporate roles	2021, 2022 e 2023	<ul style="list-style-type: none"> Definition of training courses clusters for staff jobs and increase of the % coverage of training hours provided over training hours yet to be provided 	 100%
	Set up of professional development courses customised for homogeneous technical territorial roles	• Courses organised within the technical scope (First Response; User Management; Network Operation and Maintenance; UNI RP 30 hours refresher course) / overall corporate roles	2021, 2022 e 2023	<ul style="list-style-type: none"> Increase on the % of coverage of the per-job gap by providing technical training plans on these processes: <ul style="list-style-type: none"> First Response User Management Network Operation and Maintenance UNI RP 30 hours refresher course 	 100%
	Increase of people included in reward/development plan	• Number of people included in reward/development plan within the set scope	2021, 2022 e 2023	<ul style="list-style-type: none"> Progressive increase, on an annual basis, of the % of people to be included compared to the one recorded in the previous year 	 100%
	Preservation of the appreciation levels on the training delivered	• Monitoring at system level of the appreciation on the delivered training courses and evaluation over time of effectiveness of technical ones.	2021, 2022 e 2023	<ul style="list-style-type: none"> Control of the appreciation level on overall delivered courses Progressive implementation of a model aimed at measuring the effectiveness level over time on the courses delivered, to be implemented on every kind of training, technical courses included 	 100%  100%
	Follow up of the knowledge sharing activities within the company	• At least N°1 training initiative developed within the company with the help of the internal personnel	2021, 2022 e 2023	<ul style="list-style-type: none"> Consolidation of a common corporate language by skills and knowledge sharing thanks to the design and the release of at least N°1 training initiative compared to the ones delivered in the previous year 	 100%
	Monitoring of the development of high potential resources	• Set up of monitoring tools for the management, the retention and the development of talented people within the defined scope	2021, 2022 e 2023	Progressive and annual improvement of the set composite indicator	 100%






Progress 2021



MATERIAL TOPIC: Management, development and engagement of human capital (2/2)					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Extending the evaluation process to all employees	Definition of a process for the individual evaluation of the resource and gathering of feedback from all occupational categories	• % of evaluated people	2021, 2022 e 2023	• Attention paid to commitments, conducts, results and contribution given to the goals of the Group, thanks to an incremental % of evaluations coverage concerning clerks, middle managers and blue collars.	 100%  100%
Monitoring the action plans arising from the results of climate analysis efforts	Reporting and disclosure on the progress achieved of initiatives arising from the work-related stress assessment	• Monitoring of progress	2021, 2022 e 2023	• Finalisation of the Action Plan 2018-2021 • Definition in 2022 of a new Action Plan	 100%
	New edition of the work-related stress assessment and of the corporate climate analysis	• Planning, launch and evaluation of the analysis	2021, 2022 e 2023	Periodical identification of the issues to be mitigated and of strength points to be consolidated after planning, launching, reporting and disclosing the outcomes of work-related stress assessment and corporate climate analysis to be performed every two years (2021 and 2023)	 100%
Developing employee engagement systems	Fostering of dialogue and collaboration initiatives among employees	• Number of initiatives performed during the year	2021, 2022 e 2023	• Enhancement of collaboration and sharing • Evaluation of results compared over time spent	 100%








Progress 2021



MATERIAL TOPIC: Diversity and welfare					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Promoting the development of an inclusive work environment that values diversity	Analysis of the gender composition of the occupational categories and definition of the main areas of intervention	<ul style="list-style-type: none"> • % of compensation measures regarding women on overall compensation measures for clerks • % of women hires on overall hires of clerks 	2021, 2022 e 2023	Observance of the principles of equal opportunities and annual mitigation of possible mismatches concerning the: <ul style="list-style-type: none"> • annual % of women hires on overall hires of clerks in the previous year • annual % of measures on contractual framework /Gross Annual Pay / bonus regarding women on overall measures performed for clerks in the previous year 	  100% Not achieved
	Analysis of pay levels by occupational category and gender in order to improve the percentage of possible compensation gap	• % of Gender Pay Gap reduction for occupational category	2021, 2022 e 2023	Supervision on (average levels) compensation and contractual framework homogeneity for each job qualification and annual mitigation of possible mismatches by progressive reduction of the annual % women-man gap for occupational category not in line with the previous year	 100%
Increasing the corporate welfare offering	Detection of possible gap in the corporate welfare currently in place by performing a survey on comparables.	• Reduction of the gap arising from comparables	2021, 2022 e 2023	Mitigation of the gaps possibly detected by the: <ul style="list-style-type: none"> • implementation of a new platform including flexible benefits with reference to different kind of needs; • supervision on incremental % of satisfaction levels among the subscribers and on the increasing number of subscription to the services provided 	 100%
Increasing employee flexibility	Definition of a procedure aimed at temporarily regulating the smart working and at setting the KPIs with which monitoring the performances of the different occupational categories	• Performances definition, monitoring and evaluation	2021, 2022 e 2023	<ul style="list-style-type: none"> • Wider flexibility performing the working activity • Work-life balance • Supervision on productivity and performance 	 100%

Progress 2021



MATERIAL TOPIC: Safeguarding health and safety					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Promoting initiatives for the prevention of accidents while commuting	Delivery of safe driving training courses	• Number of employees involved in the safe driving training courses / overall number of employees considered as key according to the risk analysis	2021, 2022 e 2023	Mitigation of the related risks and fostering of virtuous conducts by the entire cluster of drivers to be progressively trained	 100%
	Definition of a composite driver's risk indicator	• Set of the indicator and starting of the monitoring	2021, 2022 e 2023	Preservation of the performances and progressive annual improvement of the set risk indicator	 100%
Spreading a culture of Occupational Health and Safety	Organisation of meetings with Workers' Safety Representatives	• Overall meeting hours / total amount of available hours	2021, 2022 e 2023	<ul style="list-style-type: none"> • Knowledge sharing on carried out performances and on progress progressively achieved on Health and Safety related topics • Listening of expectations on Health and Safety related topics • Detection and assessment of possible worries and issues on Health and Safety related topics 	 100%
	Advocacy and release of good practices on safeguarding health and safety	• Number of performed events	2021, 2022 e 2023	Development of the activities arising from the events on health and safety related topics with the view to start a shared growing path	 100%
		• % of progress on the lines of action raising from the performed events			
		• Training hours/employee	2021, 2022 e 2023	Enhancement of the awareness and mitigation of risks on health and safety related topics by an increasing dedication concerning training activities addressed to each employee on annual basis	 100%
Consolidating the accident rates (ASR-Accident Severity Rate and AFR-Accident Frequency) by deploying prevention initiatives	Preservation of the performance levels of the accident indicator (ASR and AFR)	• Three-year period trend of the rates	2023	Acknowledgment of the corporate effort in the supervision of occupational health and safety related performances and in the mitigation of employees' accident risks by monitoring the ASR and AFR rates while not commuting	N.A.
Promoting initiatives designed to protect occupational safety	Definition and implementation of seismic retrofitting plans, raising from the assessment of the owned buildings	• Number of actions on plan or budget	2021, 2022 e 2023	Progressive finalisation of the seismic retrofitting plans set on all the owned buildings	 100%
Ensuring progress of Safety-related IMS objectives		• % of improving targets achieved in the Safety related issues	2021, 2022 e 2023	Annual control of the performances and continuous improving methodology implementation to the Safety related issues	 100%

Ensure efficiency, quality and safety



COMMITMENTS

IMPLEMENTATION PRINCIPLES

MATERIAL TOPICS

Zi 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** by:


- constantly improving **the supervision of the infrastructure management and of service performance** also relying on the **digital development** of networks and processes.
- ensuring proper **monitoring of safety conditions and timely action in potentially dangerous situations**.
- **monitoring strict compliance with regulations governing its commercial performance**.
- fostering **technological innovation** as a key enabler for **enhancing the metering service**.

Reliability and efficiency of plants

Digital development

Privacy and data security



MATERIAL TOPIC: Reliability and efficiency of plants					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Ensuring the highest quality, safety and efficiency of plants	Technical and commercial quality indexes monitoring and setting of incremental levels	• Overall quality Index net of metering performances (Extra standard index)	2021, 2022 e 2023	Control of the performances and progressive improvement of the annual trend net from the effects due to the dispensations introduced during the pandemic emergency (which in 2020 negatively affected the index results)	 100%
	Improvement in the levels of the company's synthetic indicator on network leaks	• Leaks reported from conventional Third Parties / served clients: ratio between the average value of the three-year period and the rolling value of the previous three-year period	2021, 2022 e 2023	Control of the performance and keeping the annual trend below the threshold target set	 Not achieved
	Improvement in the levels of the company's synthetic on service continuity with respect to unannounced interruptions	• Minutes of interruption net of Third Parties and FM (force majeure) x involved clients / served clients	2021, 2022 e 2023	Control of the performances and progressive improvement of the annual trend	 100%
	Enhance the odourisation system with systems that allow concentration to be detected on a continuous basis	• Project definition and roll-out	2021, 2022 e 2023	Control and improvement of the performances by carrying out the second wave, assessing the outcomes and defining the criteria for a possible widening of the optimisation project to further plants	 75%
Ensuring the value of company assets in relation to the Organisation's ability to maintain plant efficiency and safety	Evaluate the starting of the certification process according to the ISO 55001 (asset management) standard	•GO-NO GO decision coming from the review of plant operation and maintenance processes aimed at aligning the execution to the UNI ISO 55001 - Asset management certification standard	2021	Preparation of the operation and maintenance documents that are useful in the view of starting the certification process aimed at defining a proper asset management throughout the entire lifecycle of the possessions, with a special attention on risks management, costs control as well as performances improvement	 100%
Ensuring progress of Quality-related IMS objectives		• % of improving targets achieved in the Quality related issues	2021, 2022 e 2023	Annual control of the performances and continuous improving methodology implementation to the Quality related issues	 90%

Progress 2021



MATERIAL TOPIC: Digital development					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Research, innovation and competitiveness	Process automation by the use of RPA solutions	• % of automatable processes / roadmap to be defined	2021, 2022 e 2023	Streamline and efficiency in the management of processes proceeding from the pilot project implementation and form the progressive roll-out of the solutions found on incremental % of mapped projects	 100%
	New IoT platform for field devices and Real Time Analytics for plants monitoring	• Analysis and project implementation	2021, 2022 e 2023	Supervision of the operational efficiency and progressive improvement of the annual trend according to the targets set in the analysis project	 100%
Efficiency and quality of service	Advanced Analytics on First Response calls	• Organisation of the first response supervision (indicators monitoring)	2021, 2022 e 2023	Supervision of the operational efficiency and progressive improvement of the annual trend according to the targets set in the monitoring dashboard	 100%
Value-added services	Transparent access to the information on managed assets through Open Data or API services availability	• Rise in stakeholders satisfaction	2022 e 2023	Preparation and supply of value added services for the PA (Public Administration) thanks to the drafting of the assessing document and the availability of a first set of anonymised data	N.A.
Selective development and smart use of infrastructure	Development of the RF 169 MHz smart meter communication network	• Additional services to be provided on the network	2021-2022	Follow up of the preparatory activities to develop the infrastructure (asset and communication network) by assessing and evaluating the opportunities and carrying out a pilot project aimed at metering other than gas	 100%

MATERIAL TOPIC: Privacy and data security					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Ensuring maximum security of data and information held by the company	Mapping of data to be secured as set by the cyber security assessment programme and by the actions plan monitoring	• Mapping execution	2022	Finalisation of the process aimed at identifying the risk scenarios in terms of sensitive data breach or loss of information	N.A.
	Monitoring of data loss prevention systems and performances	• Monitoring activation	2022 e 2023	<ul style="list-style-type: none"> • Risks mitigations • Preservation of the compliance to the regulations on data and sensitive information protection • Intellectual policy protection 	N.A.

Distribute energy for a cleaner future



COMMITMENTS

IMPLEMENTATION PRINCIPLES

MATERIAL TOPICS



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 by:

- **promoting and rolling out the transition process** based on endeavours launched in several areas, such as the **promotion of gas as a resource for transition to a cleaner future**, the pursuit of **advanced asset uses with a view to green objectives**, the expansion of its scope of operations in support of decarbonisation by submitting energy efficiency proposals.
- **minimising the impact of its business operations on the surrounding environment.**

Energy transition





Optimisation of energy resources and environmental protection

Progress 2021









MATERIAL TOPIC: Energy transition					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Supporting the energy transition through one's own business	Monitoring of the typology of the energy carrier to be replaced in buildings that are not newly built	• Reporting on the energy carrier to be replaced thanks to new activations	2021, 2022 e 2023	Control of the performances (i.e. energy carrier per geographical area), ongoing monitoring and progressive evaluation of lines of action in order to improve the measured outcomes	100%
	Increase of Redelivery Points in critical areas where LPG or other fuel with higher environmental impact are still used	• Mapping of geographical areas with a higher penetration of diesel or LPG and roll-out of targeted promotional actions	2021, 2022 e 2023	Finalisation and progressive updating of the mapping	100%
			2022 e 2023	Replacement of fuel with an environmental impact higher than the methane one (raising from the mapping finalised and/or updated with respect to the activated monitoring) and annual roll-out of targeted campaigns	N.A.
	Availability of a service dedicated to biomethane producers	• Number of connections implemented	2020, 2022 e 2023	Contribute to the implementation of circular economy initiatives	100%
	Realisation of experimental initiatives/projects on decarbonisation and innovation topics (i.e. power-to-gas)	• Number of initiatives with external partners (i.e. research studies, industrial operators)	2020, 2022 e 2023	Contribute to the decarbonisation thanks to the progressive roll-out of preparatory initiatives and the implementation of pilot projects	100%
Supporting the energy transition by sharing one's own know-how	Support addressed to Municipalities in the development of their own initiatives of energy efficiency	• Number of preliminarily audit proposal completed	2020, 2022 e 2023	Enhancement of the relation with municipalities carrying out an incremental number of initiatives aimed at assessing the sites current state, the room for their energy efficiency improvement and optimisation	100%
		• Number of final energy efficiency proposal submitted	2020, 2022 e 2023		100%



MATERIAL TOPIC: Optimisation of energy resources and environmental protection (1/2)					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Mitigating environmental impact in operational processes (preheating and cathodic protection)	Reduction of the amount of gas used in thermal power stations at city gates for the preheating process	<ul style="list-style-type: none"> • Specific consumption (SC) Preheating gas consumed / 1000 Bcm gas passed ratio * *referred to city gates with a preheating system 	2023	Mitigation of the environmental impact generated from own activities thanks to interim metering that, by 2023, should lead the specific consumption indicator of the entered gas, referred to city gates with a preheating system in place, to achieve the set target	N.A.
	Reduction of the amount of electricity used for the cathodic protection management	<ul style="list-style-type: none"> •Optimisation of energy consumptions for cathodic protection system at plants assessed as critical (GJ/km) 	2023	Mitigation of the environmental impact generated from own activities thanks to interim metering that, by 2023, should lead to a consumption optimisation in those plant with a cathodic protection systems which register critical consumption indicators	N.A.
Maximising efficiency in methane gas leak management	Improvement of the In&Out from city gates gas indicator	<ul style="list-style-type: none"> •Pilot action plan for critical indicators 	2021, 2022 e 2023	Mitigation of the environmental impact generated from own activities thanks to the progressive implementation and evaluation of the actions set by the pilot project on possible further set of plants with critical indicators	 100%
Reducing environmental impact resulting from CH4 fugitive emissions	Evaluation and definition of the calculation methodology to measure / estimate the fugitive emission form the distribution infrastructure network	<ul style="list-style-type: none"> • Calculation methodology established and indicators set 	2021, 2022 e 2023	Mitigation of the environmental impact generated from own activities thanks to the progressive roll-out of the actions aimed at achieving the reduction target to be set following the measurement and the analysis performed	 Not achieved
Reducing the environmental impact of the car fleet	Increase of car fleet efficiency, reducing fuel consumptions per Km travelled	<ul style="list-style-type: none"> • GPI (mobility) Operational vehicle fleet energy consumption / km travelled by operational vehicle fleet ratio (tep/10^6km) 	22021, 2022 e 2023	Mitigation of the environmental impact generated from own activities thanks to the progressive decrease of fuel consumptions per Km travelled by operational fleet	 Not achieved
	Preservation of car fleet efficiency, replacing vehicles with ones equipped with more advanced technology, reducing fuel consumptions and preferring low emission fuels	<ul style="list-style-type: none"> • GPI (Environmental Class) Car fleet with environmental class \geq Euro 6*** / overall car fleet ratio (benefit cars included) (%) ***electric, CNG e hybrid cars included in EC \geq Euro 6	2021-2022	Mitigation of the environmental impact generated from own activities thanks to the finalisation of the project aimed at replacing the company car fleet (which still largely relies on diesel fuel) with low emission vehicles equipped with more advanced technology	 100%



MATERIAL TOPIC: Optimisation of energy resources and environmental protection (2/2)						PROGRESS	
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %		
Promoting energy efficiency through corporate-wide awareness-raising endeavours	Identification, assessment, management and disclosure on climate change related risks and opportunities based on the TCFD recommendations	• Deployment of a methodological dedicated support	2021, 2022 e 2023	<ul style="list-style-type: none"> • Identification of climate change possibly related risks and opportunities for the core business • Drafting of self imposed analysis aimed at coping with the increasing requests form investors on climate change and exposition to arising related risks • Improvement of disclosure on the governance - management of real or potential risks and impact related to climate change 	 	100%	100%
Increasing quantities of waste intended for recovery	Increase of the tons of special waste accepted by the disposal manager with R13 storage pending any of the recovery operations numbered R1 to R11.	• $\geq n$ %	2021, 2022 e 2023	Limitation of the environmental impact generated carrying out one's own business in relation to waste produced (R1-R11): <ul style="list-style-type: none"> • consolidating the annual performances related to the % of non-hazardous waste • progressively improving the annual performances related to the % of hazardous waste 	 	100%	100%
	Increase of the amount of waste accepted by the disposal manager with R13 storage and with a final destination other than disposal.	• Waste with a destination other than disposal / waste recovered and fed back into the cycle by the platform manager ratio (%)	2021, 2022 e 2023	Limitation of the environmental impact generated carrying out own business in relation to waste produced (R13) management, monitoring on an annual basis the performances linked to the % of waste with a final destination other than disposal / waste recovered and fed back into the cycle by the platform manager		Not achieved	
Ensuring progress of Environment-related IMS objectives		• % of improving targets achieved in the Environment related issues	2021, 2022 e 2023	Annual control of the performances and continuous improving methodology implementation to the Environment related issues		100%	

Create shared value



COMMITMENTS

IMPLEMENTATION PRINCIPLES

MATERIAL TOPICS

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, by:

- further developing the ongoing **stakeholder engagement process**.
- making its know-how available to Public Institutions and Authorities by **participating in public consultation procedures designed to outline future energy industry governance strategies having an increasingly effective and efficient impact on the territory**.
- developing 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**.
- managing the **supply chain** based on **ethics, transparency** and the **creation of mutual value**.

Relations with
Institutions and
Authorities



Relations with
clients






Responsible supply
chain management

Transparent, clear and
thorough disclosure




Contribution to the
development of the
region



MATERIAL TOPIC: Relations with Institutions and Authorities					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Promoting dialogue between the parties and sharing one's own know-how to support decision making processes	Participation to a working groups and/or technical/regulatory groups aimed at addressing managing and operational needs or difficulties related to the roll-out of future guidelines or provisions	• Reporting on the gas distribution industry public consultation procedures answered on the overall gas distribution industry public consultation procedures issued in the year	2021, 2022 e 2023	Ongoing dialogue aimed at raising awareness, empowering and focusing the Regulator attention on operational needs or difficulties related to the roll-out of future guidelines or provisions	 100%
		• Reporting on the ARERA, MiSE and MiTE groups of interest for the Group	2021, 2022 e 2023	Prompt and proficient involvement the working Groups, activated by regulatory bodies and control authorities, on topics considered relevant for the Group	 100%
		• Reporting on the commissions and working groups CIG (Comitato Italiano Gas) involving personnel of the Group	2021, 2022 e 2023	Perpetuation of the reference role within the industry thanks to a prompt and proficient involvement in the commissions and the working groups managed by CIG on topics considered relevant for the Group	 93%

MATERIAL TOPIC: Relations with clients (1/2)					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Increasing the opportunities for dialogue and engagement with clients	Engagement workshop with Sales Companies	• Number of carried out workshop	2021, 2022 e 2023	Progressive increase of the listening and discussion opportunities with Sales Companies	 100%
		• Number of engaged Sales Companies	2021, 2022 e 2023	Preservation of the Sales Companies panel to be engaged in the annual meeting	 100%
	Preservation / increasing of the clients number engaged in customer satisfaction activities	• Number of engaged Municipalities	2021, 2022 e 2023	Preservation of the Municipalities panel to be engaged to assess the satisfaction about the delivered service	 100%
		• Number of engaged Sales Companies	2021, 2022 e 2023	Preservation of the Sales Companies panel to be engaged to assess the satisfaction about the delivered service	 100%
		• Number of interviewed Citizens	2021, 2022 e 2023	Preservation of the Citizens panel to be engaged to assess the satisfaction about the delivered service	 100%



MATERIAL TOPIC: Relations with clients (2/2)					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Ensuring compliance with performance levels of customer satisfaction results concerning main clients	Maintaining operational performance incremental levels through process efficiency and to the communication improvement	• Annual average reasoned satisfaction – Sales Companies	2021, 2022 e 2023	Control of the performances and progressive improvement of the annual trend	 100%
		• Overall annual average satisfaction - Municipalities	2021, 2022 e 2023	Control of the performances and progressive improvement of the annual trend	 100%
		• Overall annual average reasoned satisfaction – Citizens	2021, 2022 e 2023	Control of the performances and preservation of the annual trend	 100%
	Maintaining performance levels in the index on complains management according to ARERA and internal standards	• Complains management index according to ARERA standards	2021, 2022 e 2023	Control of the performances and progressive improvement of the complains management according to ARERA standards annual Index	 100%
		• Complains/information requests according to ARERA standards on managed Redelivery Points	2021, 2022 e 2023	Control of the performances and progressive improvement of % on complains/information requests according to ARERA standards on managed Redelivery Points	 100%
	Definition and monitoring of the action plans based on the outcomes of the customer satisfaction initiatives	• Action plans definition	2021, 2022 e 2023	Consolidation of strengths and limitation of possible sources of discontent	 100%
		• Monitoring of plans	2021, 2022 e 2023		



MATERIAL TOPIC: Responsible supply chain management					PROGRESS	
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %	
Developing supplier inclusion and engagement initiatives	Information initiatives and training sessions addressed to suppliers aimed at improving the safety performances	• Initiatives definition and roll-out	2021, 2022 e 2023	<ul style="list-style-type: none"> Limitation of risks and improvement of performances thanks to the roll-out of the pilot project on the First Response Service, involving progressively all the defined panel of suppliers. Sharing of existing best practise in order to carry out a common growth path and improvement of mutual relationship. 		
	Accident rates monitoring of the co-workers who work under the control of the Group	• Implementation of the monitoring	2021, 2022 e 2023	Greater control of the suppliers' accident analysis and preservation of the performances under the threshold targets set on an annual basis		100%
	Awareness raising and dissemination of good practices to protect the suppliers' health and safety	• Construction sites safety index	2021, 2022 e 2023	Progressive improvement of the composite indicator established on an annual basis (Construction sites safety index)		100%
Developing a supply chain assessment and monitoring system.	Developing suppliers' risk mapping tools, including ESG risks, with a special attention to the accordance with the compliance constrains	• Development of the analysis system	2021, 2022 e 2023	Greater control of risks related to Quality, Environment and Safety issues, thanks to the progressive mapping con the % of compliance to the ISO 9001, ISO 14001 e ISO 45001 applicable standards for nearly all suppliers		100%
	Mapping of the suppliers' perception on sustainability commitments undertaken by the Group and survey on suppliers' awareness on ESG issues monitoring	•Development of the analysis system	2021, 2022 e 2023	Knowledge level enhancement of the of the suppliers included in the Register with respect to the sustainability topics, thanks to the progressive preparation and analysis of targeted survey for the outlining and implementation of possible strengthening actions		100%



MATERIAL TOPIC: Transparent, clear and thorough disclosure					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Integrating ESG aspects within the business	Development of an information system aimed at the scheduling, monitoring and reporting the sustainability performances	• Development of reporting system	2021	<ul style="list-style-type: none"> More efficient and more suitable to the reliability and traceability criteria approach, during the data collection and reporting activities that are preparatory to the disclosure. Greater supervision of the sustainability performances 	 100%
	Reporting to and engagement of the Board of Directors on ESG topics and on sustainability performance	• Periodical reporting release (drafting, validation, monitoring)	2021, 2022 e 2023	Promptly and timely sharing on relevant issues related to ESG topics; periodical updating on progress and on the annual review of the Plan, with an ongoing alignment on the lines to be developed	 100%
	Membership in network and/or associations aimed at spreading and developing the ESG topics	• Number of memberships	2021, 2022 e 2023	<ul style="list-style-type: none"> Exchange and progressive updating on, trends, methodological frameworks and best practices Progressive strengthening of the corporate position as a Group committed in the development of a balanced and responsible growth path in the medium to long term 	 100%



MATERIAL TOPIC: Contribution to the development of the region					PROGRESS
Goal	Initiatives/projects/lines of action	KPI	Deadline	Expected benefits	2021 Target %
Creating synergies that can create value for local areas	Identification of prospect services suppliers which can provide the managed Municipalities with information about traffic intensity and possible indications on peaks and spikes in traffic.	• Tools selected and applied in design studies	2021, 2022 e 2023	Preparation and supply of value added services addressed to the Public Administration, through the implementation of the actions preparatory to the go live of a platform aimed at optimising the construction works planning, taking into account traffic flows and road conditions.	 100%

MAIN SUSTAINABILITY PLAN ESG TARGET ACHIEVED IN 2021

ENVIRONMENT

Supporting the energy transition through one's own business

Service addressed to biomethane producers



Connections realised (n°)

1

Quotation accepted (n°)

5

Quotations prepared after conducting technical feasibility analysis (n°)

32

Supporting the energy transition by sharing one's own know-how

Support provided to Municipalities in the pursuit of their energy efficiency endeavours



Energy efficiency final proposals submitted (n°)

6

Interim proposals processed (n°)

20

Promoting energy efficiency through corporate-wide awareness-raising endeavours

Progressive alignment with TCFD recommendations



Mapping of risks and opportunities related to climate change



Action plan definition

Reducing impact resulting from CH₄ fugitive emissions

Starting of activities aimed at defining a method for quantifying emissions on the basis of experimental data collected in the field

Increasing quantities of waste intended for recovery

Special waste generated, sent for treatment and accepted by the disposal plant with R13 storage pending any of the recovery operations numbered R1 to R11



Reducing impact of the car fleet

PI (environmental class)

Car fleet with environmental class \geq Euro 6*** / overall car fleet ratio

97%

***electric, CNG e hybrid cars included in EG \geq Euro

29.4 million kilometers covered. Average value of emissions per kilometer travelled at 181 gCO₂, showing a decrease of approximately 15% compared to the average value of 212 gCO₂ recorded in the previous year. This decrease was mainly due to the inclusion of methane-fuelled vehicles into the fleet.

*

SOCIAL

Enhancing the personnel recruitment model

Positions activated by relying on internal job posting / overall positions opened at the Head Quarter

50%

Positions activated by relying on internal job posting / overall technical clerk positions opened at Regional level

50%

Managing and developing in-house skills and talent

Duties and skills mapped within Job Evaluation project

100%

Staff e technical training courses

Definition of a corporate training catalogue covering both technical and management skills

Resources included in incentive plans within the defined scope

+ 4,05 % P.Y.

Developing supplier inclusion and engagement initiatives

Safety info-training initiatives definition and release

3,072 training hours on First Response delivered to 256 learners involved, representing 70 suppliers

Accident rates monitoring

Significant data collection for the preparation of the document for the analysis of accidents of supplier

Monitoring the action plans arising from the results of climate analysis efforts

Finalisation of the 2018-2021 action plan

100%

Launch of a new edition of the survey related to the assessment of work-related stress

October

Increasing the corporate welfare offering

Implementation of a new platform and introduction of flexible benefits for different needs

New Welfare Plan - June

Developing a supply chain assessment and monitoring system

Qualified suppliers owning certifications after the arising awareness campaign on ESG risks



Ensuring compliance with performance levels of customer satisfaction results concerning main clients

Average overall annual satisfaction - Municipalities

7,63

Average reasoned annual satisfaction - Sales Companies

8,28

Average reasoned annual general satisfaction - End clients

9,05

GOVERNANCE

Developing stakeholder external engagement activities

Meeting with Shareholders

2

Meeting with Rating Agencies

2

Roll-out of the Materiality Analysis with an inclusive approach

Involvement of the entire personnel

Integrating ESG aspects within the business

Involvement of Board of Directors' members

11 notices

Membership in network and/or associations aimed at spreading and developing the ESG topics

Oil and Gas Methane Partnership (OGMP) membership

Spreading a culture of business ethics and anti-corruption

Dedicated training activities

Involvement of Headquarters Managers, Department Heads, Area Managers, regional representatives of Relations with Local Authorities and part of the Tariffs staff topics

Creating an investment "cost-benefit" evaluation model

Disclosure of the model set in 2020 outcome

Assessment of about 150 initiatives totaling an overall investment of € 110 million, ensuring access to the service for around 28,000 new clients. Suitability with the model criteria at 87%

Ensuring the value of company assets in relation to the Organisation ability to maintain plant efficiency and safety

Bringing some documents of 2i Rete Gas S.p.A. Management System into line with the UNI ISO 55001 standard in respect of processes relating to the operation and maintenance of reduction and metering facilities with the view of eventually having the IMS certificated according to the additional standard

2i Rete
Gas

Grazie
Thank you

2i Rete
Gas

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