

Progressive alignment with the principles set out by SASB

METRIC DESCRIPTION	CODE	INFORMATION PROVIDED
Average retail gas rate for (1) residential, (2) commercial, (3) industrial clients, and (4) transportation services only	IF-GU-240a.1	Completion of this section was based on a breakdown that 2i Rete Gas deemed useful in order to provide the clearest possible view of its business. For this reason, clients were divided according to 5 civil and 2 technological classes.
		C1 - "Heating"0.07 €/sm³1.89 €/MMBtu
		C2 - "Cooking and/or hot water production"-0.09 €/sm³-2.41 €/MMBtu
		C3 - "Heating + cooking and/or hot water production"-0.09 €/sm³-2.37 €/MMBtu
		C4 - "Air-conditioning"-0.00 €/sm³-0.05 €/MMBtu
		C5 - "Air conditioning + heating"-0.07 €/sm³-1.78 €/MMBtu
		T1 - "Technological use (craft - industrial)"0.03 €/sm³0.68 €/MMBtu
		T2 - "Technological use - heating"0.03 €/sm³0.87 €/MMBtu
For some consumption classes, the invoiced taxable income for the 2022 transport service is negative due to the following impacts of measures introduced by government to contain energy costs given the significant end-of-year increases:		
<ul style="list-style-type: none">• an increase in the unit value of the supplementary gas bonus component, also accompanied by a volume effect with a substantial rise in the number of beneficiaries among our clients, linked to the increase in the minimum ISEE (equivalent economic status indicator) amount eligible for the payment of the bonus itself. It should be considered that for 2022 purposes a gas bonus of over € 398 million was recognised;• the introduction of a negative component in the distribution tariff;• the elimination of some of the additional components of the distribution tariff itself.		
Typical monthly gas bill for residential clients for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	IF-GU-240a.2	Not applicable because, as a distributor, 2i Rete Gas only has visibility into the costs of the Average Gas Rate for transportation services.
Number of residential clients gas disconnections for non-payment, percentage reconnected within 30 days	IF-GU-240a.3	Not applicable because this qualifies as an indirect business for 2i Rete Gas, with responsibility lying with sales companies.



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Discussion of the impact of external factors on gas affordability for clients, including the economic conditions of the service territory	IF-GU-240a.4	<p>To this end, to make a preliminary assessment and gain greater insights into the impact generated by its investments in response to the requests and needs arising also from the dialogue with the municipalities, in 2022 the 2i Rete Gas Group continued to rely on the investment “cost-benefit” evaluation model, developed in 2020.</p> <p>The year 2022 saw the continuation of 40 gas distribution network development initiatives launched in 2021, following analyses carried out by applying the aforementioned evaluation model and obtaining a result of full compliance with the established criteria. With a total investment of € 57.5 million, these initiatives, when they are completed and come into operation, will guarantee service access to approximately 15,600 new end clients of the network.</p>
Percentage of gas utility revenues from tariff structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	IF-GU-420a.1	Not applicable in the Italian market context as far as 2i Rete Gas is concerned.
Client gas savings due to market efficiency measures	IF-GU-420a.2	Not applicable in the Italian market context as far as 2i Rete Gas is concerned.
Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	IF-GU-540a.1	In 2022, there were two events registered as “Gas Incidents” in accordance with the guidelines of the Italian Gas Committee (aka CIG), for which the Organisation did not receive any report or measure from the relevant authority for a value exceeding € 5,000 (in case of occurrence in the distribution network) or € 1,000 (in case of occurrence at end clients’ systems) due to the fault of the Group.
Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	IF-GU-540a.2	<p>The 2i Rete Gas Group operates over 71,700 km of network, mainly a cathodically protected steel network of approximately 54,270 km (76% of the total network), a polyethylene (PE) network of approximately 17,000 km (24% of the total network), a residual portion of cast iron network of approximately 413 km (0.6% of the total network) and a residual portion of PVC network of approximately 57 km (less than 0.1% of the total network) for which a removal plan is scheduled over the next few years, as defined by ARERA’s regulatory requirements for materials that are no longer allowed by law.</p> <p>For several years now, the 2i Rete Gas Group has been engaged in a project to replace sections of the network classified as “old”, giving priority to the construction of polyethylene networks. The drivers that progressively identify which sections to replace consider the year of construction, the leakage of the pipeline detected during periodic monitoring and the number of repairs recorded during the year.</p> <p>In 2022, the programme to replace “old” network involved approximately 48 km of steel and cast iron network.</p> <p>75.7% steel</p> <p>23.7% PE polyethylene</p> <p>0.6% cast iron</p> <p>0.08% PVC</p>



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Percentage of gas (1) transmission and (2) distribution pipelines inspected	IF-GU-540a.3	<p>The 2i Rete Gas Group manages the distribution service in full compliance with the applicable national regulations and, as far as network leakage monitoring is concerned, it complies with even higher standards than the applicable regulations.</p> <p>In 2022, the following percentage of the distribution network was checked, broken down according to operating pressure:</p> <p>70% of the low-pressure network operated;</p> <p>80% of the high-/medium-pressure network operated.</p> <p>In order not to interrupt the service to users, no checks are normally carried out with technologies that involve checking the integrity of the pipelines and/or their pressure tightness.</p> <p>However, it must be said that with regard to the state of corrosion of the steel pipelines, which account for approximately 76% of the network operated, the Group constantly monitors the parameters of the cathodic protection systems and conducts a constant campaign to monitor characteristic points in order to constantly assess the state of the network. The system is fully telemetered, and in addition, field survey campaigns that involve sensitive points are carried out.</p>
Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	IF-GU-540a.4	<p>With support from its Integrated Management System (IMS), within which the principles of the Integrated Policy for Quality, Health and Safety at Work, and Environment are applied, the 2i Rete Gas organisation continuously monitors the state of efficiency and safety of the whole network infrastructure, through the planning, monitoring and analysis of both preventive and corrective maintenance, performed on all the components of the network.</p> <p>For this same purpose, it also trains and qualifies its employees, also with continuous refresher courses, in compliance with applicable industry regulations as well as on the basis of established tried and tested internal best practices. In compliance with the principle of inclusion, it extends training courses for staff within the supply chain to involve suppliers that perform the above activities jointly.</p> <p>Prevention is one of the strengths of the IMS and is based on continuous audit and control carried out at all levels, and on subsequent analysis that feeds into the revision of internal practices designed to guarantee the quality and safety of the service for the community and all internal and external operators.</p> <p>In addition, the Group has long had regulations in place to govern and organise emergency management. Specific emergency plans have also been drawn up in cooperation with the competent authorities, which, amongst other things, consider the morphology of the land on which the network infrastructure is located in order to deal with any events that may arise (e.g. floods, landslides, etc.).</p>

ACTIVITY METRICS

ACTIVITY DESCRIPTION	CODE	NOTES	VALUE
Number of: (1) residential, (2) commercial, and (3) industrial clients served	IF-GU-000.A	C1 - "Heating"	51,346
		C2 - "Cooking and/or hot water production"	1,951,764
		C3 - "Heating + cooking and/or hot water production"	2,766,377
		C4 - "Air-conditioning"	2,750
		C5 - "Air conditioning + heating"	7,232
		T1 - "Technological use (craft - industrial)"	3,751
		T2 - "Technological use - heating"	77,863
		This indicator is developed by reporting the information broken down by the client categories mapped by 2i Rete Gas (5 civil and 2 technology classes) as under IF-GU-240a.1	
Amount of natural gas delivered to: (1) residential clients, (2) commercial clients, (3) industrial clients, and (4) transferred to a third party	IF-GU-000.B	C1 - "Heating"	31,199,529 MMbtu
		C2 - "Cooking and/or hot water production"	16,157,124 MMbtu
		C3 - "Heating + cooking and/or hot water production"	131,016,881 MMbtu
		C4 - "Air-conditioning"	81,275 MMbtu
		C5 - "Air conditioning + heating"	406,371 MMbtu
		T1 - "Technological use (craft - industrial)"	8,458,287 MMbtu
		T2 - "Technological use - heating"	62,367,578 MMbtu
		This indicator is developed by reporting the information broken down by the client categories mapped by 2i Rete Gas (5 civil and 5 technology classes) as under IF-GU-240a.1	
Length of gas (1) transmission and (2) distribution pipelines	IF-GU-000.C	Total network under management in 2022	more than 71,700 km
		High pressure network (above 5 bar, classified as 1st-2nd-3rd type network)	368 km
		Medium pressure network (above 0.04 bar and not exceeding 5 bar, classified as 4th-5th-6th type network)	30,220 km
		Low pressure network (not exceeding 0.04 bar, classified as 7th type network)	41,135 km