



2i Rete
Gas

2023 SUSTAINABILITY PLAN REVIEW Summary

Milan

June 2023
(first release)

REVIEW OF THE PLAN

- The Sustainability Plan is reviewed **annually** subject to **updating the Materiality analysis and reporting on the results which are consolidated as of 31 December of the previous year.**
- This task entails **weighting** as well as **evaluating performances in relation to the results achieved as benchmarked against the established KPIs and in accordance with the guidelines previously set.** This phase also allows **some goals and/or projects to be revisited** or **additional goals to be included**, possibly following the identification of new material topics related to sustainability as well as with a view to meeting any new emerging needs.
- The results arising from the process of setting new goals, together with the definition of the initiatives (i.e. lines of action and projects) required to achieve them, are **integrated after the publication of the NFD** and are subsequently **consolidated in the Review of the Plan to be submitted for approval by the Board of Directors.**



REVIEW PROCESS

- In 2023 the Sustainability Plan review process was carried out in accordance with the following guidelines:



overall **review of the goals** that were either **integrated, reformulated or confirmed**, depending on the specific case.



classification, according to the positive and negative, actual and potential impacts that the Group generates or may generate on the economy, environment and people, of the goals to be considered as “**Main**” or “**Secondary**” (since functional to the achievement of the “Main” ones, or because nowadays related to well established supervision approaches and/or to projects which, started in the previous years, are about to be finalised).



exploring, regarding **initiatives and lines of action** previously scheduled according to a short-term deadline (as of 2022 or 2023), the **opportunity of evaluating eventually further developments**, fixing whenever appropriate **longer-term deadlines** and setting quantitatively measurable **interim targets**. In order to ensure a better performance monitoring, these interim targets were often set according to an incremental approach, until 2025 and sometime up to 2030.



specifying in certain cases, for monitoring purposes, the **KPIs** to be taken into account, considering both internal assessments and benchmark analysis.

STRUCTURE OF THE PLAN REVIEWED IN 2023



Prerequisites



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

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

Listening to stakeholder

Compliance with laws and regulations

Business ethics and anti-corruption

Creating sustainable economic value

2i Rete Gas continues to considerate **ESG factor integration into the Group governance** as a cross-cutting material topic.

Review 2023 - Main Goals



PREREQUISITE: Listening to stakeholders								
Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Developing stakeholder external engagement activities	Roll-out of the Materiality Analysis with an inclusive approach	-ON/OFF	2023, 2024	Materiality Analysis with an inclusive approach	Materiality Analysis with an inclusive approach			
	Increase in the number of meetings on ESG topics and performance with shareholders, rating agencies and third parties	-N. of meetings with shareholders (Ardian-APG and F2i) -N. of meetings with rating agencies (ESG or traditional)	2023, 2024, and 2025	N. 1 meeting with shareholders (Ardian-APG and F2i) N. 2 meetings with rating agencies (ESG or traditional)	N. 1 meeting with shareholders (Ardian-APG and F2i) N. 2 meetings with rating agencies (ESG or traditional)	N. of meeting to be set according to the development of the ESG system in 2024		



PREREQUISITE: Compliance with laws and regulations								
Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Ensuring an adequate Coverage Audit on Headquarters and Territorial departments and a significant intensity of actions	<ul style="list-style-type: none"> Three-year period Audit planning (rolling) based on Risk Analysis and on the checks coming from the inspections Development of the review activity through auditing and follow up projects Development of the Continuous Monitoring activity related to laws and regulatory compliance 	<ul style="list-style-type: none"> 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 Average intensity Index 	2023 and 2024	2014 – 2023 Period A) Coverage audit on the overall Headquarter. Risk Analysis: 100%. Audit and FU: 97% B) Average intensity Index (average n. of actions done on the same function): Risks Analysis 9,7 times, Audit and FU 2,8 times	To be defined			

Review 2023 - Main Goals

PREREQUISITE: Business ethics and anti-corruption

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Consolidating the business ethics and anti-corruption culture	Integration of ESG oversight in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231	*Supervision and monitoring of the regulation development applicable to the adopted Organisation, Management and Control Model	2023, 2024 and 2025	Organisation, Management and Control Model pursuant to Italian Legislative Decree 231 and NFD gap analysis	Integration of ESG oversight in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231	Updating/preservation of the ESG oversight in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231		

CROSS-CUTTING MATERIAL TOPIC: ESG factors integration into the Group governance

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Overseeing the governance of ESG factors	Definition, drafting and release of further policies and procedures, where appropriate, following the evaluation of possible gaps related to ESG Rating assessment	*% of closed gaps among the assessed ones	2023 and 2024	Opportunity analysis (identification of possible gaps) Drafting and release of resulting tools	Opportunity analysis (identification of possible gaps) Drafting and release of resulting tools			

Stimulate everyone's contribution



COMMITMENT

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 company performance, by:

IMPLEMENTATION PRINCIPLES

- **respecting human rights and inalienable rights** in the conduct of the company's business and along the value chain, as well as **constitutional principles of parity and equality**;
- the recognition of **equal opportunities** for all employees, also with a view to pursuing **gender equality** and supporting **women's empowerment** and the repudiation of all forms of discrimination, rather viewing **diversity** as a source of value;
- promoting the **development of skills, experience sharing** and **knowledge exchange** through open discussion, as well as implementing a **merit-related** policy based on the assessment of human resources' conduct, efforts, achievements and self-development;
- **listening, dialogue** and **communication** endeavours with a view to encouraging **participation** and **empowerment**;
- **facilitating** employees' **worklife balance**, by increasing flexibility while reducing conditions of vulnerability;
- protecting the **health** and **safety** of its employees and collaborators.

MATERIAL TOPICS

Management, development and engagement of human capital

Safeguarding health and safety

Diversity, inclusion and welfare

Review 2023 - Main Goals



MATERIAL TOPIC: Management, development and engagement of human capital

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Increasing people included in incentive schemes / plans with individual targets	Progressive increase in the % of people included in incentives schemes / plans with individual targets	•% of Managers (Q-8-7) included in incentive schemes on Managers scope (D/Q/8/7)	2023, 2024, 2025 and 2026	>52%	>55%	>60%	65% (2026)	
Defining individual development plans for people with growth potential	Formalisation of individual development plans for people with growth potential	•% of development plans formalised to young graduates under 40 (accordingly to the shown potential)	2023, 2024, 2025 and 2026	≥25%	≥30%	≥35%	40% (2026)	
Overseeing core business /technical skills	Retention and oversight of internal technical skills by means of training initiatives addressed to technical personnel / blue collars	•Almost 25 average hours addressed to technical personnel / blue collars	2023, 2024 and 2025	≥25	≥25	≥25		
Overseeing and improving the satisfaction indicator about the corporate climate (VSLC indicator)	Regular improvement of the satisfaction indicator about the corporate climate (VSLC indicator) arising from the work-related stress assessment survey	•Improvement of the VSLC indicator	2023 and 2025	Improvement of the 2023 VSLC indicator compared to the 2021 VSLC indicator		Improvement of the 2025 VSLC indicator compared to the 2023 VSLC indicator		



MATERIAL TOPIC: Diversity, inclusion and welfare

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Increasing women in positions of responsibility	Always increasing assessment of female gender resources to cover positions in charge of responsibility and coordination duties	•N. of women with managerial-coordination positions /N. of managerial-coordination positions within the company	2024, 2025 and 2028		16%	20%	26% (2028)	
Improving the welfare services subscription %	Increase in the % of "Zinsieme a TE" welfare services users	•Progressive increase of the grantees over the years	2023, 2024, 2025 and 2028	40%	55%	65%	95% (2028)	



MATERIAL TOPIC: Safeguarding health and safety

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Consolidating the reduction trend of accident rates (ASR-Accident Severity Rate and AFR-Accident Frequency) by deploying prevention initiatives	Preservation of the performance levels of the accident indicator AFR below the target	•Three-year period trend of the rates	2023, 2024, 2025 and 2030	≤ 3	≤ 3	≤ 3		≤ 3 (2030)
	Preservation of the performance levels of the accident indicator ASR below the target	•Three-year period trend of the rates	2023, 2024, 2025 and 2030	≤ 0,15	≤ 0,15	≤ 0,15		≤ 0,15 (2030)

Ensure efficiency, quality and safety



COMMITMENT

Zi 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 by:

IMPLEMENTATION PRINCIPLES

- pursuing **ongoing improvement of the supervision on infrastructures** and **service performances**, including by relying on the digital development of networks and processes;
- ensuring proper **monitoring of safety conditions** and **prompt response in potentially dangerous situations**;
- strictly **monitoring its commercial performance to ensure fully compliance with regulation**;
- fostering technological innovation as a key enabler for enhancing the **metering** service.

MATERIAL TOPICS

Reliability and efficiency of plants

Digital development

Privacy and data security

Review 2023 - Main Goals



MATERIAL TOPIC: Reliability and efficiency of plants

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Ensuring the highest safety and efficiency of plants	Preservation of the levels of the indicator about the % of emergency service exits with arrival time to the solicited place lower than the ARERA standard	•Index (%)	2023, 2024 and 2025	Monitoring ≥ 99%	Monitoring and definition of the an improved % value with respect to 2023	Monitoring and definition of the an improved % value with respect to 2024		
Ensuring the highest quality, and efficiency of plants	Monitoring of service technical and commercial quality indexes and definition of incremental levels	•Overall quality Index net of metering performances (% Extra Standard Index)	2023, 2024 and 2025	Preservation of 0,09%	To be reassessed according to 2023 result	To be reassessed according to 2024 result		
Overseeing effectively the gas network infrastructure exposure to the risks arising from climate change	Monitoring of the gas network infrastructure exposure to the risks arising from hydro-geological instability and detection of the related risk index	•Model overseeing	2023, 2024 and 2025	Mapping finalisation and informatisation of the network risk index in order to mitigate the hydro-geological risk exposure also by means of prevention investments and related monitoring activities	Roll-out of the actions aimed at reducing and mitigating the hydro-geological risk	Definition of an improvement target		

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MATERIAL TOPIC: Digital development

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Developing the process for the cloud migration of the company databank	Gradual migration of application map and data to cloud	•% of data migrated to cloud	2023, 2024 and 2025	Start of the initiative	30% migration completed	100% migration completed		

MATERIAL TOPIC: Privacy and data security

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Raising the awareness on cyber risks among employees and suppliers	Social engineering campaigns aimed to enhance the cyber risk awareness	•Employees resilience test about possible cyber-attacks	2023, 2024 and 2025	n. 2 campaigns	n. 3 campaigns	Reassessment of the social engineering scope		
	Extension to the services suppliers of the social engineering campaigns aimed to enhance the cyber risk awareness	•Engagement of services suppliers aimed to ensuring the cyber security policies strict respect	2023, 2024 and 2025	Profiling of suppliers and detection of the target	n. 1 campaign on the detected cluster	n. 2 campaign on the detected cluster + add-on		

Distribute energy for a sustainable future



COMMITTEMENT

IMPLEMENTATION PRINCIPLES

MATERIAL TOPICS

Zi 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**, by:

- **promoting and implementing the transition process** based on endeavours launched in several areas, including **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, supporting gas advocacy initiatives, pursuing **advanced asset uses with a view to green objectives**, as well as expanding its scope of operations in support of decarbonisation by submitting **energy efficiency proposals**;
- **minimising the impact of its business operations on the surrounding environment** through various initiatives, including the systematic identification of environmental risks and the effects of climate change, ensuring an appropriate control, as well as the quantification to progressively reduce energy consumption and direct impacts such as, for example, waste, atmospheric CO₂ emissions and fugitive CH₄ emissions from the infrastructures managed;
- **protecting biodiversity**, assessing whether additional safeguards should be put in place over and above the protection already provided by legislation.

Energy transition

Optimisation of energy resources
and environmental protection

Biodiversity

Review 2023 - Main Goals



MATERIAL TOPIC: Energy transition

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Supporting the energy transition through one's own business, by means of experimental initiatives and technological innovation projects	Realisation of experimental initiatives/projects on decarbonisation and innovation topics (i.e. power-to-gas)	•Strat of projects and initiatives	2025			N°3 initiatives started		

MATERIAL TOPIC: Optimisation of energy resources and environmental protection

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Reducing the CO ₂ e emissions (Scope 1 and Scope 2)	Reduction of the CO ₂ e emissions (from technological systems energy consumption - buildings - network leakage)	•% of tCO ₂ reduction	2023, 2024, 2025 and 2030	-25% tCO ₂ e (compared with 2021)	-29% tCO ₂ e (compared with 2021)	-32% tCO ₂ e (compared with 2021)		-50% tCO ₂ e (compared with 2021) (2030)
Reducing the CO ₂ e emissions (Scope 3)	Analytical calculation of suppliers' carbon footprint (baseline) and modelling of the functional approach for the progressive CO ₂ e emissions reduction (Scope 3)	•Baseline calculated and approach defined	2023, 2024, 2025 and 2030	Selection of the (ESG high risks) cluster of Supplier, assessment and modelling functional to the reduction using EcoVadis specific analytical tool	Reduction Plan definition and target setting with a progressive approach	Implementation, monitoring and periodical reporting of the Plan		- 30% tCO ₂ e (2030)
Reducing energy consumption	Planning of combined actions aimed to reduce energy carriers (City gates - vehicle fleet - Buildings)	•% of tep reduction	2023, 2024, 2025 and 2030	- 4% GJ (compared with 2021)	- 6% GJ (compared with 2021)	- 8% GJ (compared with 2021)		- 18% GJ (compared with 2021) (2030)
Reducing the environmental impact from waste production	Maximisation of the quantities of waste generated by the organisation and sent for recovery	•% of recovered waste	2023, 2024, 2025 and 2030	99,998% t (waste sent for recovery)/t. (total waste)	99,998% t (waste sent for recovery)/t. (total waste)	99,998% t (waste sent for recovery)/t. (total waste)		100% t (waste sent for recovery)/t. (total waste) (2030)

MATERIAL TOPIC: Biodiversity

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Safeguarding and protecting biodiversity and impacts on natural resources	Mapping, based on existing data, of the gas network infrastructure presence in areas of environmental value and definition of a preservation protocol to be adopted in case of works	•Mapping completed al protocol arranged	2023 and 2024	Mapping completed al protocol arranged	Monitoring and adoption of the protocol in the reference scope			

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Create shared value



COMMITMENT

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, by:

IMPLEMENTATION PRINCIPLES

- collaborating with public Institutions and Authorities, putting its know-how at their service through **participation in consultation procedures** aimed at addressing and outlining future governance strategies for the energy sector that will generate **increasingly effective and efficient impacts for the local communities**;
- implementing activities that contribute to generating **positive impacts for the communities served by the network**, including pursuing **ever higher levels of technical and commercial quality** while, at the same time, seeking a **reduction in operating costs eligible for cut-back**, the underlying goal being to return value to the community through a **safe, uninterrupted, reliable and timely** service, as well as a **lower incidence of the distribution service cost reflected in the bill** according to industry regulations;
- **continuing to develop dialogue channels and tools**, as well as **listening initiatives** designed for its clients and monitoring their **satisfaction levels**;
- managing the supply chain based on **ethics, transparency** and the **creation of mutual value**.

MATERIAL TOPICS

Relations with Institutions and Authorities and contribution to the development of the region

Relations with clients

Responsible supply chain management

Transparent, clear and thorough disclosure

Review 2023 - Main Goals



MATERIAL TOPIC: Relations with Institutions and Authorities and contribution to the development of the region

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Supporting the ATEM tenders' system	Incremental participation in ATEM tenders maximising discounting on commercial performances in compliance with the administrative authorities' indications	•Incremental participation	2023, 2024 and 2025	Incremental participation	Incremental participation	Incremental participation		
Promoting dialogue between the parties and sharing one's own know-how to support decision making processes (Local Authorities)	Meeting Local Authorities project	•% of meetings with Municipalities	2023, 2024 and 2025	Meetings with Municipalities (achievement of 67% on the scope of the municipalities with which 2IRG has a concession agreement in place as of 31/12 of the reporting year)	Meetings with Municipalities (Meeting with all the municipalities where local election will take place in 2023 and in which the current administration will not be confirmed)	Meetings with Municipalities (meeting with 30% of municipalities where local election will take place in 2024 and in which the current administration will not be confirmed)		

MATERIAL TOPIC: Relations with clients

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Ensuring compliance with performance levels of customer satisfaction results concerning main clients (Sales Companies and Municipalities)	Maintaining operational performance incremental levels through more efficient processes and communication improvements with Sales Companies	•Preservation of the average annual reasoned satisfaction range - Sales Companies	2023, 2024 and 2025	Preservation 8,2 +/-2%	To be set according to the result as of 31/12/23	To be set according to the result as of 31/12/24		
	Maintaining operational performance incremental levels through more efficient processes and communication improvements with Municipalities	•Preservation of the average annual overall satisfaction range - Municipalities	2023, 2024 and 2025	Preservation 7,5 +/-2%	To be set according to the result as of 31/12/23	To be set according to the result as of 31/12/24		

Review 2023 - Main Goals



MATERIAL TOPIC: Responsible supply chain management

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Integrating sustainability and green procurement factors in the supply chain assessment and monitoring practices	Definition of the ethical and environmental aspects to be activated in the new integrated "green procurement" platform functional to handle the monitoring of suppliers' sustainable performances	•Platform customisation	2023, 2024 and 2025	Ethical and environmental aspects defined and customised in the new "green procurement" platform	Analysis of the aspects customised in the platform and possible review	Analysis of the aspects customised in the platform and possible review		
	Once finalised the "green procurement" platform set up, detection of the % of suppliers to which address ESG field inspections	•Analysis and scope definition	2024 and 2025		% defined and start of ESG field inspections on the pilot cluster	Follow up of the ESG field inspections and control plan preparation		
Purchasing goods from suppliers who adopt production standards aimed at maximising energy consumption reduction and minimising their carbon footprint	Integration of sustainability criteria in tenders in accordance with the requesting department and with reference to the annual purchasing plan	•Criteria analysis and definition	2023 and 2024	Analysis done and criteria defined together with the requesting departments	Appling of the criteria previously defined with reference to the annual purchasing plan finalised			



MATERIAL TOPIC: Transparent, clear and thorough disclosure

Main Goal	Initiatives/projects/lines of action	KPI	Deadline	Target 2023	Target 2024	Target 2025	Medium term Target	Long term Target
Integrating ESG aspects within the business	Reporting to and engagement of the Board of Directors on ESG topics and on sustainability performances	•Periodic reporting release (drafting / approval / monitoring)	2023	<ul style="list-style-type: none"> •Promptly and timely update on relevant issues concerning ESG topics; •Reporting once a year on the Sustainability Plan progress; •Annually reporting on the Sustainability Plan Review and, where appropriate, on the Framework and Policy 				
	Membership in network and/or associations aimed at spreading and developing the ESG topics	•N. of memberships	2023	At least N. 3 memberships (cumulative total)				
Obtaining certified Sustainability Rating aligned to the ones obtained by Peers	Identification of Partners, suitable to the business, who can provide a certified sustainability rating		2023, 2024 and 2025	Rating 2023	Improvement of the performances compared to the 2023 Ratings	Improvement of the performances compared to the 2024 Ratings		

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Grazie
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