

# Sustainability Report

December 31st, 2023



# Content Index

Letter to Stakeholders .....	4
Methodological note .....	6
<b>1. SGI's Materiality analysis</b> .....	<b>7</b>
1.1 Stakeholder engagement .....	7
1.2. The update of the materiality analysis .....	8
Highlights .....	11
<b>2. SGI – who we are</b> .....	<b>12</b>
2.1 SGI's history .....	14
2.2. The SGI transport network .....	16
2.2.1. Physical dispatching .....	17
<b>3. Sustainable development and business strategy</b> .....	<b>18</b>
3.1. SGI's strategic plan .....	19
3.1.1. SGI's sustainability goals .....	20
3.2. SGI's Sustainability Policie .....	21
3.3. The ten-year development plan of the SGI network .....	22

3.4. Technological innovation .....	25
3.4.1. SGI's energy transition process .....	25
3.4.2. Power to Gas: the future of energy .....	26
3.4.3. The digitalization process as a lever of the energy transition .....	27
3.4.4. Strategic synergies toward the energy transition .....	27
3.4.5. SGI's main innovation partnerships .....	28
3.5. Asset Integrity .....	29
3.5.1. SGI's commitment to the critical incident management .....	29
3.5.2. Cyber security .....	30
<b>4. Responsible governance</b> .....	<b>30</b>
4.1. Business ethics and integrity .....	34
4.2. SGI's organizational management model 231/01 .....	36
4.2.1. Whistleblowing protocol .....	37
4.3. The Code of Ethics .....	37
<b>5. SGI and its people</b> .....	<b>38</b>
5.1. SGI's employees .....	39
5.2. Employee engagement .....	41



5.3. Employee evaluation and remuneration .....	42
5.3.1. Employee assessment process .....	44
5.3.2. Corporate welfare .....	45
5.4. Talent development and enhancement .....	47
5.4.1. Upskilling and reskilling SGI's employees .....	48
5.5. Non-discrimination and equal opportunities .....	49
5.5.1. SGI's initiatives to promote Diversity & inclusion .....	50
5.6. Occupational health, safety and well-being .....	52
5.6.1. Employees health and safety .....	53
5.6.2. Work-related injuries .....	54
<b>6. SGI's value chain</b> .....	<b>55</b>
6.1. SGI's supply chain .....	56
6.1.1. Supplier selection process .....	56
6.2. Customer Centricity .....	60
6.3. Brand Reputation .....	60
6.4. Relations with local communities .....	64
6.4.1. Economic value generated and distributed .....	65
6.4.2. Community initiatives .....	66

<b>7. Environmental protection</b> .....	<b>67</b>
7.1. Environmental Management System ISO 14001:2015 .....	68
7.1.1. Environmental analysis .....	68
7.2. Energy and greenhouse Gas emissions (GHG) management .....	71
7.3. SGI emissions .....	73
7.4. Climate adaptation and resilience .....	78
7.5. Biodiversity protection .....	79
7.6. Water consumption for network testing .....	82
Annex .....	83
Riconciliation table between material topics of SGI and GRI 11 Oil&Gas .....	96
GRI Content Index .....	97

# Letter to Stakeholders



**“ In the coming years, we will face significant challenges, but we are confident that we will be able to achieve considerable and balanced growth. This will be achieved through major infrastructure investments, further developing the skills and motivation of our employees.**

Roberto Loiola | Chief Executive Officer

Dear stakeholders,

2023 was a complex year characterized by the evolution of numerous international political, economic and environmental crises, with significant repercussions on the energy sector. International sanctions and restrictive policies have further complicated the energy landscape, limiting access to vital resources and affecting trade flows. Since 2022 consumer energy prices have risen sharply, with severe strains for consumers and businesses, despite the sector having tried to absorb some of the price increases. This complex interaction between geopolitics and the energy market has highlighted the vulnerability of the global energy supply system and the need for resilient and diversified strategies to ensure energy stability and security.

The Italian system has reacted well so far, thanks to the actions previously taken on infrastructure and the market, highlighting the achievement made by the Italian natural gas transportation system, to which Società Gasdotti Italia has positively contributed.

The economy has also been affected by strong inflation dynamics and a significant slowdown in growth with a general belief that monetary rates will decrease soon. For the Italian economy specifically, there is also a dependence of growth on the ability to carry out the investments of the PNRR – Italian National Recovery and Resilience Plan – that are underway.

2023 was a pivotal year for Società Gasdotti Italia, which first and foremost strengthened its organizational structure and governance, following a change in managerial leadership. An updated Strategic Plan was created, envisioning over 600 million euros of new investments by 2033 in the development of the core business of natural gas transportation, while continuing to make infrastructure safer and suitable for the future transportation of green molecules. Over the next decade, natural gas volumes are expected to decrease, and the adoption of new gases such as biomethane and hydrogen is expected to accelerate.

The economic results of 2023 were positive, generating a significant revenue growth and a stable operating margin.

Various strategic ministerial authorizations have been obtained, such as the Corridonia compressor station in the Marche region and the Lucera – San Paolo di Civitate line in Puglia. These works will be essential to ensure greater safety to the system by reversing North-South flows and to facilitate the collection of significant biomethane production.

Società Gasdotti Italia has begun to develop significant innovative projects for future development, such as – among others – the so-called Hydrogen Valley of the Lazio Region, also thanks to the award of PNRR funds to develop this new market.

In the coming years we foresee innovation, digital transformation and ESG factors to play an important role in the development of SGI's strategy with a corporate vision of SGI being at the forefront of enabling security of the Italian energy infrastructure and solutions under a decarbonisation trajectory.

The four new pillars of the company's mission include the following objectives:

1. Achieve Net-Zero and maintain the highest standards of secured, flexible and reliable energy supply,
2. Pursuing high levels of Innovation and Digitalization by evolving the infrastructure for the transport of new energy carriers,
3. Developing partnerships with companies and communities in the area, based on speed of execution and flexibility,
4. Increasing Talent by promoting an Inclusive and Stimulating work environment and obtain better profiles.

In the coming years, we will face significant challenges, but we are confident that we will be able to achieve considerable and balanced growth. This will be achieved through major infrastructure investments, further developing the skills and motivation of our employees, and fulfilling our ESG objectives across all three components with equal determination and effectiveness.

For the Board of Directors

The Chief Executive Officer



## Methodological note

GRI 2-2, 2-3, 2-4

The Sustainability Report of Società Gasdotti Italia (hereinafter also referred to as the "Company" or "SGI"), now in its fifth edition, aims at providing a complete overview of the operating and governance model, of strategies, and results achieved by the Company in the context of sustainability for the 2023 financial year (reporting period from 1 January 2023 to 31 December 2023).

This document has therefore been drawn up illustrating the activities, the goals achieved and the targets to be pursued in this direction. In particular, the Report contains qualitative and quantitative information relating to the topics considered material by SGI and its Stakeholders and identified through the materiality analysis process, which is discussed in more detail in the paragraph "SGI Materiality Analysis" below.

Within the paragraph, the Company describes the process of identifying and assessing the environmental, social and governance impacts related to the Company's activities from which the issues covered by this report have been identified. In 2023, SGI updated the materiality analysis process to the requirements of the new GRI Universal Standards (2021), in accordance with the provisions of "GRI 3: Material Topics 2021". Updated from the previous edition, the Sustainability Report was prepared in accordance with the 2021 edition of the GRI Standards and the "GRI Oil & Gas Sector 2021" Sector Standard following the "in-accordance" option. The full set of standards used is provided in the GRI Content Index, in the Appendix. In the highlights, the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda which guide SGI's sustainability strategy have also been included.

In terms of scope, the data and information included in the Sustainability Statement refer to Società Gasdotti Italia, and, specifically, to the offices in Frosinone, Rome, Chieti and Larino reported within the text in a consolidated form. Limitations to disclosure are indicated within the Report. In case of estimates/adjustments in the calculations to determine indicators, the quantification methodology adopted has been indicated with a marginal note. This disclosure exercise is part of a process that

will be further developed in future reporting.

The document reports on the situation regarding the financial year 2023; Data for the 2022 have been reported, where possible, in order to provide the reader with an economic, social, environmental and governance comparison parameter and therefore to allow an assessment of the performance of SGI's activities during the two-year period. With the aim to provide a correct representation of SGI performance, directly measurable quantities have been included in the data and the use of estimates has been limited as much as possible. In case of estimates, these are expressly stated in the document.

As required by the GRI guidelines, the data collection process, for the preparation of this document, has been managed according to:

- the principles of inclusiveness, sustainability, materiality and completeness for information content;
- the principles of balance, comparability, accuracy, timeliness, clarity (reliability) for the definition of reporting parameters.

In the reporting year referenced in this document, it is noted that there have been no significant changes in the size, ownership structure and supply chain of the Companies.

For further information and suggestions regarding the Sustainability Report of Società Gasdotti Italia, please contact Pasquale Verrecchia, at the following email address: [pasquale.verrecchia@sgispa.com](mailto:pasquale.verrecchia@sgispa.com).

This document is also available on SGI's website at: [www.gasdottitalia.it](http://www.gasdottitalia.it)

# SGI's Materiality analysis

## Stakeholder engagement

GRI 2-29

SGI recognizes the pivotal importance of stakeholders in pursuing its corporate mission: to transport the energy needed by the market safely, efficiently, and sustainably, contributing to economic development, to the well-being of the people with whom it works and collaborates, as well as of the communities in which it operates.

The identification of stakeholder's categories (understood as "all stakeholders with legitimate interests - implicit or explicit, influenced by its activities") and the related channels of dialogue most suitable for their involvement, is an essential step of SGI's sustainable development strategy. In 2023 during its activities, SGI involved more than 60 different stakeholders including representatives of Ministries, local communities, public entities, contractors, and subcontractors, sharing their points of view, opinions, and expectations.

Their point of view is important for the Company which, as of 2024, has launched stakeholder engagement projects to reduce any gap detected between their visions and those of the Company. During the realization of the 2023 Sustainability Report, SGI reviewed and validated the Stakeholders

mapping, starting engagement activities for the main categories identified, making them active parts of the company's commitment to sustainability through the assessment of the SGI most relevant material topics.



## The update of the materiality analysis

GRI 3-1, 3-2

In line with the requirements of the new edition of the "GRI Standards 2021" reporting standard, the Company has updated its materiality analysis for the sustainability reporting of 2023, identifying the material themes that reflect significant economic, environmental, and social impacts for SGI and that may influence the assessments and decisions of its stakeholders. The concept of materiality is, in fact, closely connected to the concept of impact: material issues are those that represent the most significant impacts of the organization on the economy, the environment and people, including impacts on human rights. The update of the materiality analysis was carried out starting from a context and megatrends analysis of the Oil & Gas sector, aimed at identifying positive, negative, current and potential impacts that the Company has or could have on the economy, the environment and people, including human rights.

Subsequently, a mapping of significant impacts was outlined, and it has been submitted to an evaluation process considering Scale, Scope and Probability, performed by the Top Management during a materiality workshop and by the most representative external stakeholders of the organization (suppliers, institutions, clients, local communities, universities), involved through an online survey. The identification of positive and negative, priority and relevant impacts for SGI allowed the definition of the list of material topics according to the perspective of impact materiality, as required by the Reporting Standard. The table below represents the SGI's material topics and their positive and negative associated impacts, ordered according to their relevance, attributed by the stakeholders involved in the materiality analysis process.

Material topics	Identified positive (+) and negative (-) impacts	Description of the impact
<b>Technological innovation</b>	Technological innovation of processes and products	Increased investment/financial resources for innovation and energy transition for the use of more sustainable technologies (+)
<b>Asset integrity and critical incident management</b>	Internal/external communication not aligned with organization values	Non-transparent and ineffective corporate communication to stakeholders regarding the values and actions of the Organization (-)
	Continuity of service offered	Strengthen and guarantee the security of the service offered, improving its flexibility and quality through the completion of projects for the upgrading of the infrastructure, including in cases of stress and network choking (+)
	Inefficient pipeline network management	Failure to manage critical events due to obsolescence of the network that does not guarantee adequate conditions of safety and efficiency (-)
<b>Value chain management</b>	Environmental, social and economic impacts along the value chain	Negative impacts linked to the relationships established along the SGI value chain on environmental, social and economic aspects (-)
	Cases of human rights violations within the organization and its value chain	Violation of human rights along the value chain and within the company, such as the right to freedom of association and collective bargaining, child labor, forced or compulsory labor (-)
	Failure to satisfy customers and their expectations	Poor efficiency and reliability of the service resulting in increased complaints (-)
	Increase in Brand reputation	Greater awareness and sense of belonging, due to involvement and accountability of stakeholders with whom the Company establishes business relationships (+)
<b>Business ethics and integrity</b>	Creating a culture of business ethics	Awareness and dissemination of the culture of ethics, equity and inclusion, respect for human rights by management, employees, business partners and other stakeholders (+)
	Episodes of anti-competitive behavior	Anti-competitive behavior: Collusion with possible competitors, abuse of a dominant market position or exclusion of potential competitors, thereby limiting the effect of competition on the market (-)
	Corruption incidents	Potential involvement in corruption (-)
<b>Occupational Health, safety and well-being</b>	Employee satisfaction and well-being	Strengthening measures on welfare, health and safety at work (+)
	Workplace injuries	Accidents or other accidents at the workplace, with adverse consequences for the health of direct workers or external employees (-)

Material topics	Identified positive (+) and negative (-) impacts	Description of the impact
Climate adaptation, resilience and transition	Resilience to climate change and extreme climate events	Adaptation to climate change and extreme climate events impacting business (+)
	Strategies for the energy transition	Energy efficiency and transition to renewable sources (+)
Talent development and enhancement	Failure to meet staff growth expectations	Failure to meet the employees expectations of growth and wellbeing, resulting in a negative impact on their satisfaction (-)
	Employees development and enhancement through training activities	Improvement of employees' skills through training and professional development activities, general and technical programs, also linked to growth objectives and personalized evaluation (e.g. career development plans) (+)
Greenhouse gas emissions (GHG)	GHG emission generation	Contribution to climate change through direct and indirect GHG energy emissions, linked to activities carried out in the Company's headquarters and sites (-)
	Generating significant emissions into the air	Emissions from gas losses on the transport network and increased air pollution (-)
Non-discrimination and equal opportunities	Episodes of discrimination	Negative impacts on employee satisfaction and motivation due to discrimination (gender, age, ethnicity, etc.) or other non-inclusive practices (-)
	Equal opportunities and inclusion	Respect for diversity and promote an inclusive business climate through business activities and initiatives that combat discrimination (+)
Land and natural resources rights	Rights on land and resources	Violation of local community rights to land use, access and control and other natural resources due to the activities of the organization (-)
	Strengthening relationships with key partners and stakeholders	Strengthening the dialog and involvement of stakeholders during the installation and development of the transport network (+)
Employees Engagement	Talent Attraction	Promotion of encouraging employment policies and creation of an attractive and stimulating working environment for young talent with specialist skills (+)
	High turnover rate	High turnover resulting in loss of key personnel for the Company's business (-)

Material topics	Identified positive (+) and negative (-) impacts	Description of the impact
Relations with local communities	Creating value in the communities in which the organization operates	Hiring workers from the local communities in which the company operates, with positive impacts on local economies (+)
	Economic support for local community associations	Support for local development through contributions and donations to associations in the territory where the Organization is physically present (+)
	Negative impacts on local communities	Misalignment between business activities and the interests of local communities (-)
Biodiversity protection	Depletion of natural resources	Use and consequent depletion of depletable natural resources (-)
	Contribution to biodiversity loss	Changes in ecosystems due to the impact of SGI activity on the territory (-)

The 12 material topics not only highlight a substantial alignment with the main industry macro-trends, referring, for example, to the importance of **technological innovation** in processes and products for the **energy transition**, but also reflect the distinctive characteristics of SGI's values and strategy. The topics evaluated as most relevant by stakeholders and the company represent valuable pillars of SGI's business, including value chain management, business ethics, health and safety in the workplace, climate adaptation and resilience, and staff development and valorization.

## Highlights



# SGI - who we are

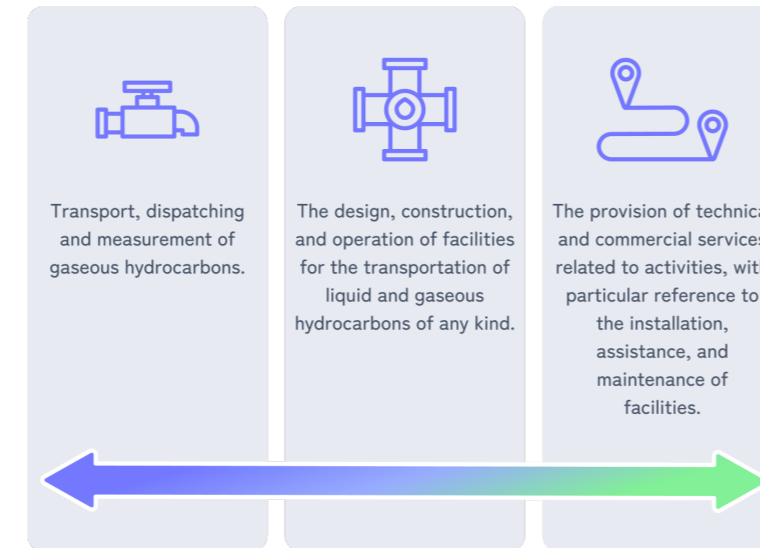
Società Gasdotti Italia S.p.A. (hereinafter "Società Gasdotti Italia" or "SGI") is an independent gas transportation system operator (TSO) in the gas industry in Italy.

The Company owns and operates an integrated high-pressure gas pipeline network for the transportation of natural gas, approximately 1,800 km in length (over 4% of the Italian network), mainly located in Central-Southern Italy.

The business is regulated by ARERA, the Regulatory Authority for Energy, Networks, and the Environment, which determines transparent and non-discriminatory criteria for gas transportation access and its economic conditions for all operators.

The Company's registered office is located in Milan, while operational offices are located in Frosinone, Rome, Chieti, and Larino. SGI owns the building where the Frosinone office is located, at Via dei Salci 25-27, and where 40 employees work. In Chieti, the company owns an office that has 17 employees, located in the DAMA building. In Rome (where a new office opened in September 2023), the office is located at Via Toscana 10 and has 2 employees. In Larino, the office located at Via Contrada Monte Arcano with 5 employees.

The main activities carried out by SGI concern:



# La storia di SGI

1960



## SGM's journey begins

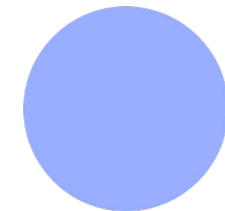
The first infrastructures of SGM (Società Gasdotti del Mezzogiorno) and Edison Gas are laid for production and transport in Central Italy.

1973



In Basilicata, gas-in of the regional network of Garaguso (MT).

2000



SGM reaches 1,000 km of network with the construction of the Bussi-Roccasecca infrastructure and the separation from gas production sector.

2004



SGM and Edison T&S merge to establish Società Gasdotti Italia SpA (SGI).

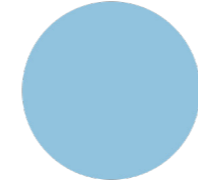
2007



SGI is acquired by Eiser Infrastructure.



2012



SGI is the first company in Italy to obtain TSO certification for the transmission of energy in the form of natural gas.

2015



The SGI network reaches 1,500 km.

thanks to the construction of various infrastructures, including the Paliano-Busso pipeline.

2016



The company is acquired by Macquarie and SwissLife Asset Managers.



2018

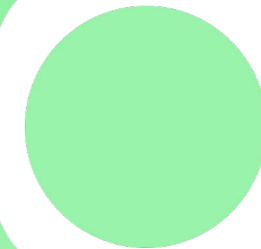


## Enura is established.

Enura is the SGI-Snam JV for the construction of the methane transport infrastructure in Sardinia.



2023



## New authorisations and new headquarters.

- SGI obtains two strategic Single Authorisations for the construction of the Compression Station in Corridonia and the Lucera – San Paolo Pipeline.
- The new strategic plan is approved
- The new SGI headquarters in Rome is inaugurated

2021



The Canadian Ontario Teachers' Pension Plan Fund acquires the majority stake in SGI.

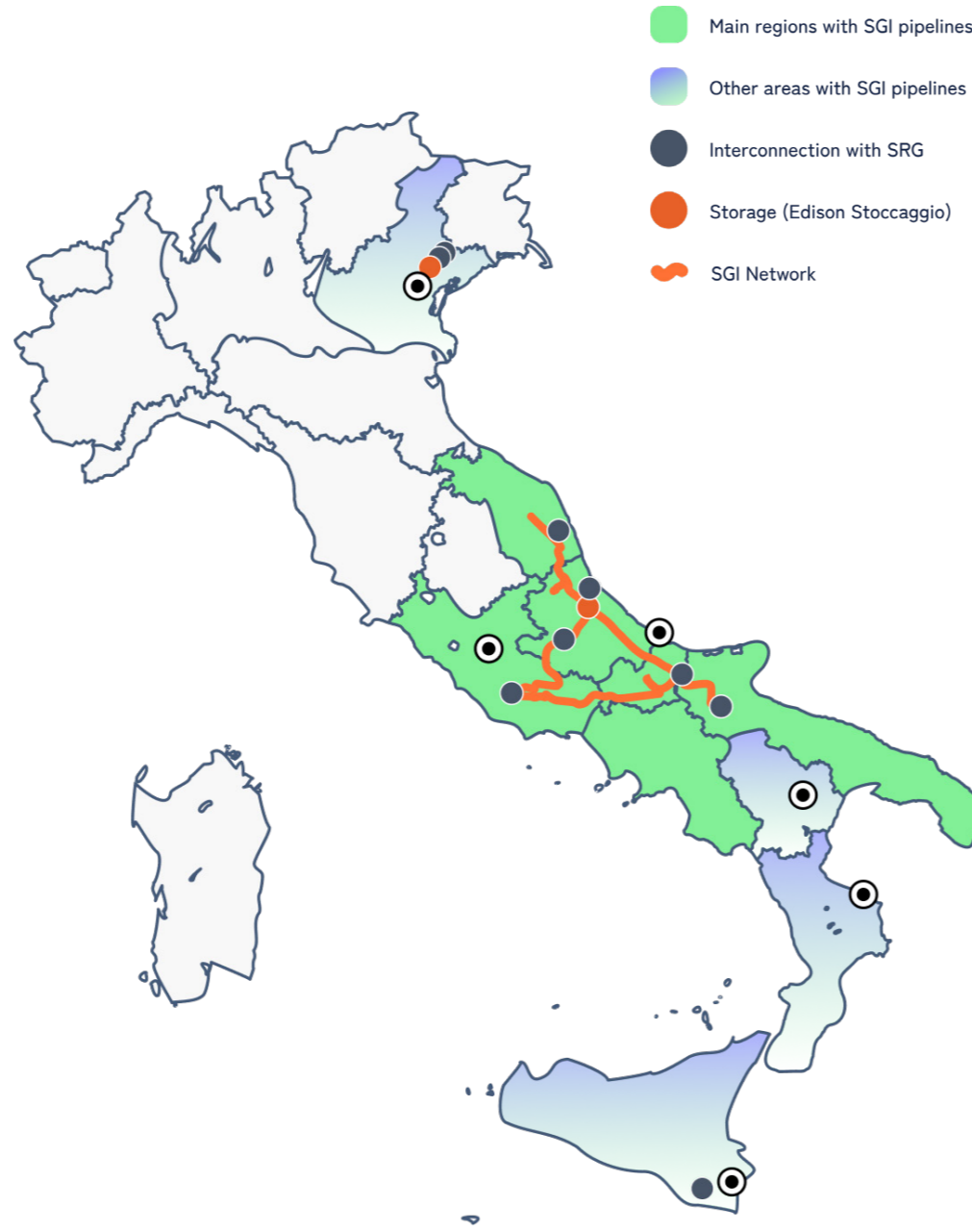
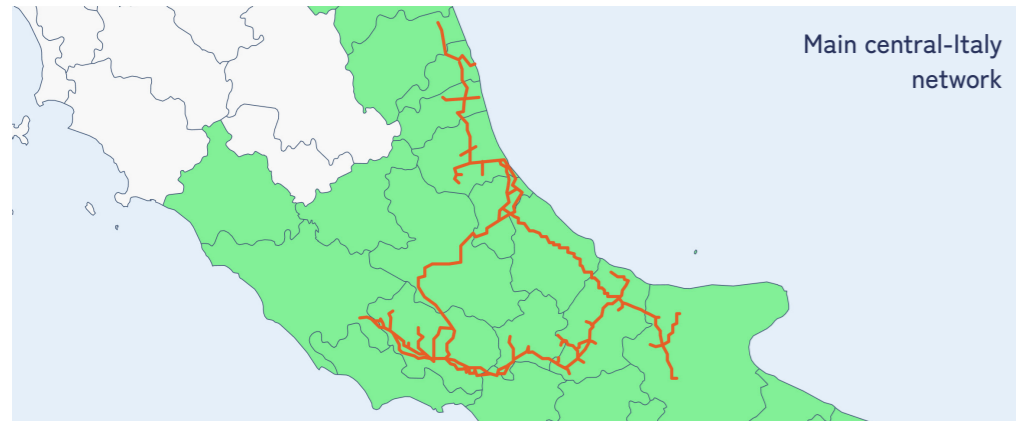


## The SGI transport network

The SGI transport system is a set of high-pressure gas pipelines that run for approximately 1.800 Km with pipes ranging in diameter from 2" to 24" inches. The SGI network consists of several main gas pipeline arteries integrated into the national network (RNG), and for the remaining part, it comprises gas pipelines and regional connections (RRG). It is **fully interconnected and integrated** with the national system of gas production, import, transport and storage.

The SGI transportation network includes:

- the Eastern Area network, partly known as "ex Cellino" in the Marche-Abruzzo region, which extends from the province of Foggia to the province of Macerata.
- the Western Area network, partly known as "ex SGM" (from the name of the Company originally owning this infrastructure), which stretches from Lazio (province of Rome) to Puglia (province of Foggia) through Molise and a small stretch in Campania.
- the Collalto gas pipeline (in Veneto, province of Treviso).
- the Garaguso network (in Basilicata).
- the Cirò network (in Calabria).
- the Comiso network (in Sicily, province of Ragusa)



Significant data of the SGI network are:



## Physical dispatching

Dispatching is the service that coordinates, in real time, the movement of gas from its entry points to withdrawal points of the network, with the aim of monitoring the physical balancing of the transportation network, ensuring that the gas reaches the redelivery points on time and in the agreed quantities, maintaining the highest standards of efficiency and safety.

The operational coordination center is in Chieti, strategically positioned in relation to the facilities, while in Frosinone there is a redundant control room ensuring comprehensive monitoring of the infrastructure. The coordination and monitoring system consist of an advanced technological architecture, composed of:

- Data Acquisition, Supervision and Control System (SCADA OASyS)**  
To monitor real time volumes, pressures and temperatures and gas quality of the pipeline entry and emission points.
- Telecommunications system on IP protocol**  
It uses state-of-the-art technologies for fast and secure information transfer.
- Telemetry System**  
It allows to remotely read key parameters and activate automatic calls in the event of significant deviations, ensuring constant control.
- Remote Management and Remote Alarm System**  
Thanks to operations centers distributed along the gas pipelines interconnected by telephone lines and specialized computers, it monitors and records the state of system indicative parameters. In this way, it manages alarm situations in a timely manner, providing the certainty of maximum operational safety.
- Measurement Management and Archiving System (MA)**  
Equipped with a complete database of measurements taken on the field. It calculates the Sm<sup>3</sup>, verifies remote reading data, archives measurement and gas quality data and historicizes relevant parameters for the validation of the measurement itself. In addition, it manages the topology of the transportation system and calculates the physical balance of the pipeline network and its portions.
- Fluid Dynamics Simulation Model**  
A key tool that assesses transport capacities, identifies minimum operating conditions, analyses different operating conditions, and assesses possible new infrastructure developments such as new connections or network variants or extensions.

# Sustainable development and business strategy

GRI 2-25

SGI's sustainable development model, which considers the existing link between the organization itself and the surrounding environment, integrates business activities conducted in an ethical and transparent manner with environmental protection, health and safety protection, and respect for people, establishing trusting relationships with various stakeholders while concurrently exploring new opportunities and markets by diversifying both energy sources and revenue sources.

## MISSION

In addition to natural gas transportation, SGI's mission is to actively contribute to a more sustainable future, respecting the environment and the communities in which it operates, following four key strategic drivers:

1. Achieve Net-Zero<sup>1</sup> and maintain the highest standards of secured, flexible and reliable energy supply;
2. Always aim for excellence in innovation, technological choices and digitalization, in order to increase efficiency and enable the transport of new decarbonized energy carriers;
3. Foster collaborations with the external world, with a flexible and rapid approach, and build strong ties with the territory in which the Company operates;
4. Nurture people's talent by promoting a stimulating and inclusive work environment and obtain better profiles.

<sup>1</sup> The SGI's Net Zero Plan is in the process of being validated.

## VISION

Empowering Italy's energetic future sustaining security of supply and accelerating decarbonization transition.

SGI's sustainable development strategy is well aligned with 11 of the 17 Sustainable Development Goals (SDGs) approved by the UN in 2015.



## SGI's strategic plan

SGI's business strategy aims at **addressing and integrating its business with sustainability issues**, in order to improve the resilience of the Italian energy ecosystem in the long term by actively supporting the energy transition through the innovative enhancement of transport infrastructure. In November 2023, SGI approved its **Strategic Plan focused on 3 main pillars**:



## SGI's sustainability goals

Within the Strategic Plan, SGI has identified several "Starting Points" on which to outline priorities, objectives and sustainability targets for the near future, aimed at reducing and mitigating its impacts on environmental, social and governance issues.



## SGI's Sustainability Policies


GRI 2-23, 2-24

In 2023, as part of its commitment to ESG topics, SGI updated its ESG Policy – Environmental Social Governance, approved by the Chief Executive Officer, with the aim of defining the directions and guiding principles on sustainability applicable to all business, through the following areas of action:


- **Ethics, integrity and the fight against corruption**, through the definition of a series of behavioral norms, control tools and procedures – applicable to all employees and all third-party collaborators operating at the company's plants and/or offices – aimed at the preventive and final verification of the methods of conducting activities in order to prevent and repress any form of unethical behavior or corruption.
- **People, Safety at Work, Diversity and Inclusion**, through policies aimed at the protection and development of Human Capital, committing to require compliance with the principles outlined in its "Code of Ethics" by all those collaborating with the Company, as employees, suppliers, contractors, or partners, and to monitor compliance with the principles recognized by the Universal Declaration of Human Rights, statements of the International Labour Organization, and principles of the United Nations Global Compact.
- **Community and stakeholders**, through the commitment to ensure and maintain an open dialogue with the local communities in which it operates and with all the stakeholders with whom it relates (understood as "all stakeholders with legitimate interests - implicit or explicit, influenced by its activities").
- **Environment and Net Zero**, through the adoption of Environmental Management Systems certified according to recognized standards in operational contexts, with the aim of continuously improving performance and mitigating risks. To this end, SGI is committed to implementing measures to increase its resilience to climate change, aiming to minimize and optimize the impact that its activities generate on the environment in the short and long term and aiming at constantly monitoring risk factors related to environmental aspects.

The integration of sustainability principles within its business allows SGI to implement a progressive change with the purpose of efficiently exploiting natural resources, meeting people's needs and consequently building collaboration relationships and trust with all stakeholders. SGI's commitment to sustainability topics and to the maintenance of the highest standards of business management and corporate operations, are also attested by the certifications obtained over the years by the organization,


Starting from the "Starting Points" identified relating to sustainability issues, SGI has identified some priority **objectives for its ESG** (Environmental, Social and Governance) **strategy**, which the company is committed to achieving by 2026:

 **Environmental**

- Minimize environmental impact by improving performance, especially regarding greenhouse gas emissions (GHG)
- Achieve Net Zero Scope 1 & 2 by 2040 and Net Zero Scope 3 by 2050
- Listen to and consider the sustainability needs of the supply chain
- Promote initiatives to achieve the United Nations' Sustainable Development Goals with stakeholders involvement
- Biodiversity protection

 **Social**

- Promotion of health and safety at work with the aim of continuously improving the work environment
- Supporting the physical, mental health, and well-being of staff and influencing contractors and subcontractors on the issue
- Promoting diversity and inclusion in the workplace
- Promoting and developing professional opportunities for staff through training, apprenticeships, and other initiatives
- Continue to record zero work-related injuries

 **Governance**

- Appointment of an ESG Strategic Committee led by a team of senior company managers
- Strong compliance with ISO 45001, 14001, 14064, 14068, pdr 125 standards, and dedicated ESG and SHEQ leadership
- Implementing a corporate risk management process
- Promotion of transparency, accountability, integrity on anticorruption best practice
- Implementing a digitalization strategy as a driver for sustainability

demonstrating the attention to the quality of internal systems and structures and SGI's environmental and social responsibility. Below are listed the main Management Systems implemented and the certifications obtained by the Organization, which will be further detailed in the following paragraphs:



The Company makes ESG impact data and information, objectives, and achieved results publicly available and accessible, subjecting activities to internal and external audits and checks to assess compliance with current regulations and quality standards. Since 2019, SGI has participated in the GRESB (Global Real Estate Sustainability Benchmark) benchmark in the "Infrastructure" section. In its initial participation, the Company obtained a rating of 42/100, which has improved year by year, reaching a value of 93/100 with 4 stars in 2023.





## SGI's Ten-Year Network Development Plan

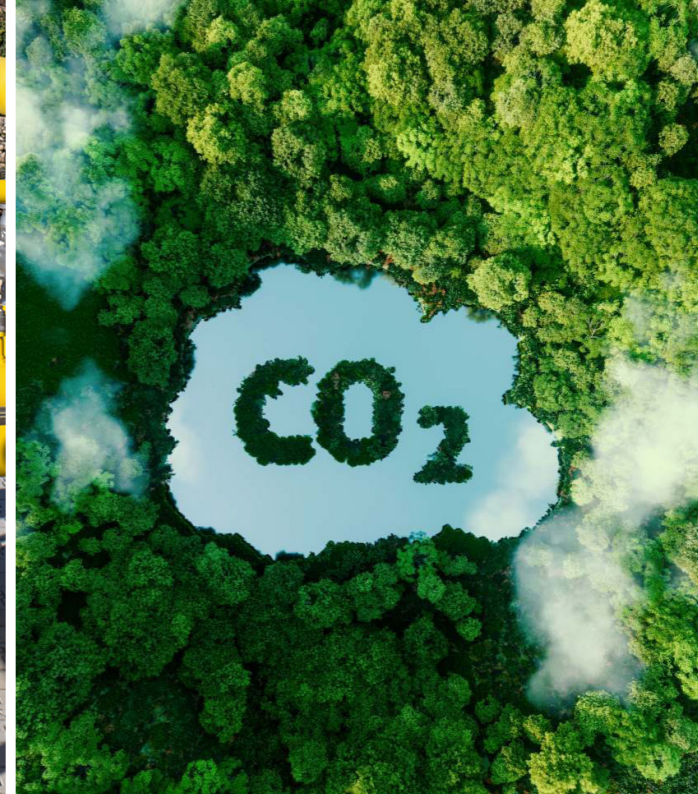
In this framework of consolidated commitment towards sustainability, the **SGI Network Development Plan** (hereinafter also referred to as the "Plan") is integrated. The Plan is conceived within the current guidelines of energy policy outlined in the National Integrated Plan for Energy and Climate (PNIEC) of June 2023.

The Italian PNIEC sets national objectives for 2030 on energy efficiency, renewable sources, and CO2 emissions reduction, as well as those related to energy security, interconnections, the single energy market, competitiveness, and sustainable development and mobility. In this context of energy policy and the natural gas supply and demand scenarios envisaged for the coming years, SGI has developed an **investment programme** which, within its territorial extension focused on central Italy, has the scope to mitigate the impacts generated by the activities of the business and supports the achievement of these specific energy policy objectives:



### Security and flexibility

Increasing the security of supply and the reliability of supplies on the domestic market by increasing the reliability and capillarity of the transport network.



### Decarbonization

The contribution to this goal is divided into the following dimensions:







- ✔ Greater capacity to manage flows and variable gas demand peaks;
- ✔ Promotion of a progressive decarbonization of the gas conveyed by encouraging the injection of renewable gases into the SGI network;
- ✔ Start-up on an experimental basis of processes for the conversion of energy into gas from RES (Power-to-gas);
- ✔ Growth in the use of gas in the transport market (CNG for cars and LNG) which contributes to national decarbonization targets;
- ✔ Company commitment to reduce GHG emissions and achieve Net Zero Scope 1 and 2 emissions by 2040 and Net Zero Scope 3 emissions by 2050.



### Innovation

Implementing a series of short, medium and long-term measures with the aim of identifying and demonstrating on an industrial scale the potential of the gas network as enabler of the decarbonization in the so-called "hard to abate" sectors.

SGI's ESG investment program is structured around six major guidelines:

-  Complete the process of revamping and/or completion of its national network
-  To implement a program of gradual remaking of all obsolete gas pipelines that have reached the end of their life
-  Decarbonize conducted gas on its network by promoting the introduction of renewable gases
-  Ensure full grid compatibility with the injection of renewable gases
-  Create an integrated, open and regional energy system in Sardinia
-  Maintain and improve the safety levels of the gas transport service

The investment program envisaged in the ten-year plan aims to develop, upgrade and renew SGI's transport network, to strengthen and guarantee the safety of the service offered, improving its flexibility and quality through the completion of projects for the enhancement of peak capacities and the meshing of the network.

Through the ten-year development plan, SGI will ensure the flexibility, quality, and resilience of the national transport system.

Through the development of adequate bi-directional flow capacity, SGI will ensure flexibility and security for the national system.

By ensuring high-volume gas flows, SGI will contribute to the industrial-scale application of technologies functional to the Energy Transition path in terms of Power-to-Gas.

## Technological innovation

In the path of technological innovation undertaken, SGI support the evolution of the Italian energy system by financing research and innovation activities that, in line with European guidelines and the deep decarbonization needs, develop suitable solutions to promote sustainability, security, continuity and cost - effectiveness of supplies - including those for the long-term storage of renewable energy. By 2050, more than half of the emission reduction targets, needed to achieve climate neutrality, require the development of technologies that are currently still in the demonstration or prototype phase. SGI believes that gas infrastructure will play a central role in this context and has increased investment in innovation and energy transition over the last few years towards the use of more sustainable technologies.

The progressive decarbonisation of gases injected into the transport network will enable the emissions reduction in some of the most complex sectors to be decarbonised, such as high-temperature industry, heating and mobility.

SGI's infrastructure is particularly well-suited for conversion with future injection of various types of "green gases" and potentially blended hydrogen, as the operational lines are structured to make the network ready for a transformation that allows the segregated transport of biomethane and gas blends with hydrogen on one hand, and pure hydrogen on the other.

## SGI's energy transition process

The horizon of this transition sees 2030 as an intermediate step towards a deep decarbonization of the energy sector by 2050.

The gas network can be used to store energy in the form of renewable gas, thus leveraging the entire existing gas infrastructure (transport, storage, and distribution) with unparalleled benefits in terms of scalability and diffusion costs, without impacts for the end user and with reduced environmental impacts.

SGI promotes many initiatives aimed at contributing to the decarbonization of the transport network, using solutions designed to operate with blends of hydrogen and natural gas up to 20%.

### Project of technological innovation

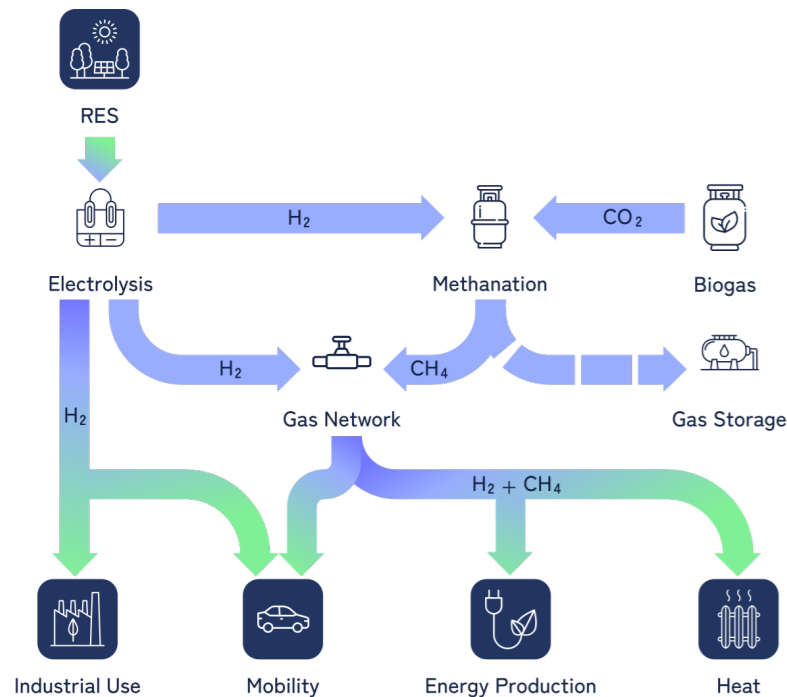
In 2023, 2 new connections were made, of whom completely new and one functioning as a doubling of an existing one with a consequent significant increase in the share of green gas in the volumes transported by SGI. Already in November and December 2023, the increase in green gas will amount to 0.48% of the total transported, an increase of about 40% compared to the previous year. From 2024 a strong growth is expected with regards to new connections or those in the final phase of the activation process.

In line with the company's vision to accelerate the energy transition, SGI promotes investments in innovative, zero-emission technologies that foster the development of renewable gases such as hydrogen, also through partners with high technological know-how. To this end, the company has collaborated with 'Baker Hughes', a technology company serving energy and industry, with a contract for the supply and installation of two zero-emission electrocompressors. The plants, with a total capacity of 7.2 MW, will be installed at the Pushing Station on the SGI network in Corridonia, in the province of Macerata.

## Power to Gas: the future of energy

With power-to-gas, renewable sources can be integrated into a flexible and clean energy system. The process involves the production of green hydrogen by electrolysis, powered exclusively by renewable sources

The produced hydrogen can then be blended with methane in the network or, through further methanation process, transformed into green methane. The latter possesses the same characteristics as conventional natural gas and can be injected into the gas network, providing versatile solutions for distribution and storage.



Power-to-Gas (PtG) is the set of processes that enable the conversion of non-programmable renewable electricity (FERNP) into gas and, specifically through the electrolysis of water, into "green" hydrogen; At a later stage, the combination of green hydrogen with CO<sub>2</sub>, through the methanation process, enable the production of synthetic methane with similar properties to fossil natural gas, but 100% renewable. Given the absorption of CO<sub>2</sub>, this has potentially negative net emissions, depending on the origin of the CO<sub>2</sub> used.

## The digitalization process as a lever of the energy transition

For SGI, digitalization is a **strategic lever for the energy transition and the innovative enhancement of transport infrastructures**: digitalization enhances the company's know-how and encourages the creation of technological assets that foster a development that fully integrates all three dimensions of sustainability, economic, social and environmental. Within the Strategic Plan, SGI has identified **5 strategic levers of digitalization** at the core of its digital transformation:

Strategic Levers	Digitalization targets
1 <b>Project Lifecycle</b>	<ul style="list-style-type: none"> <li>Introduction of a management tool to simplify end-to-end control of investments and create a "single source"</li> </ul>
2 <b>Asset Management</b>	<ul style="list-style-type: none"> <li>Digital asset management tools to maximize asset performance and minimize costs associated with downtime and repairs</li> </ul>
3 <b>Operation management</b>	<ul style="list-style-type: none"> <li>Extension of remote monitoring to 100% of critical nodes</li> <li>Implementation of network imbalance calculation also through remote reading hardware upgrade</li> <li>Development of the integrated control room for full network operation</li> <li>Introduction of a standard digital solution for site supervision</li> </ul>
4 <b>HR Management</b>	<ul style="list-style-type: none"> <li>Digitalization of business organization and HR processes</li> </ul>
5 <b>Procurement Management</b>	<ul style="list-style-type: none"> <li>Advanced procurement management tool to digitize end-to-end procurement activities (e.g. qualification, tender evaluation)</li> </ul>
6 <b>Cloud</b>	<ul style="list-style-type: none"> <li>Cloud platform to replace on-premise data center by improving scalability and interoperability</li> </ul>

## Strategic synergies toward the energy transition

In collaboration with important industrial partners and research organizations, SGI has promoted several initiatives targeted to promote the Energy Transition in recent years.



The project is the result of the collaboration between two industrial partners Company Gas pipelines Italia (SGI) and Sociale Chimica Bussi (SCB), aimed at the start of a first of a kind experimental project for the stable release of green hydrogen gas on the grid, that is, generated by industrial processes powered by renewable energy, obtaining a mixture of methane and hydrogen at 1% with possible increase of the decarbonized quota.



The Helios Valley project provides for the creation of a new hydrogen Valley in the municipality of Patrica (FR) with the aim of promoting a decarbonization process that will primarily involve the consumption of methane gas in the industrial agglomerate of Frosinone through the passage from methane to the methane-hydrogen blend in predetermined percentages, this results in the conversion of the gas network and the implementation of a hydrogen infrastructure, the conversion of the gas network and the implementation of a hydrogen infrastructure.



Research collaboration project with the National Agency for New Technologies, Energy and Sustainable Economic Development (ENEA), aims to demonstrate the industrial-scale operation of the Power-to-Gas system, one of the technologies that can contribute most to the increase in energy produced at 100% by non-programmable renewable sources, for a progressive decarbonization of the energy system.



SGI, in collaboration with AzzeroCO<sub>2</sub>, the start-up BioSyn and four research organizations (Pa.L.Mer, University of La Sapienza and the Universities of Cassino and Tuscia), started the SINBIO project financed by the call for "Strategic Projects - Green Economy Area" of the Lazio Region. SINBIO promotes the integrated design of processes for natural gas replacement fuels (e.g. biomethane and synthetic gas) and of the technologies for entry and storage in existing energy infrastructures, in accordance with national and international policies for the development of renewable energy sources, the reduction of climate-altering emissions and the reduction of dependence on oil.

## SGI's main innovation partnerships



## Asset Integrity

GRI 203-1, 203-2

Recent events affecting social systems, such as the Russian invasion of Ukraine and the soaring rise in energy prices, have had severe inflationary effects on the European and national economies, and have raised concerns about energy supply issues, bringing energy security to the forefront of European and national policies.

Reliable and sustainable energy supply is essential for economic development, political stability and people's quality of life. The guiding principles of the energy market are to strengthen security, continuity, and diversification of energy sources, especially in the gas sector, in order to manage the variability of gas demand flows.

**Security and flexibility of the transportation network** are the most relevant goals for SGI's strategy, as defined within the ten-year development plan. Projects initiated in recent years aim at increasing supply security and reliability in the domestic market by enhancing peak capacity and developing counter-flow capabilities.

With the completion of projects initiated at the beginning of the decade and those currently nearing completion, the overall transportation capacity of the SGI system will increase by 38% in the next ten years. In this context, SGI is committed to strengthening and ensuring the integrity of the service offered through the completion of infrastructure enhancement projects, even in scenarios of stress and partialization of the network..

## SGI's commitment to the management of critical events

GRI 2-25, 416-1, 416-2

**Ensuring the continuity of the service offered is one of SGI's strategic levers**, which drives its commitment to enhance network security, improving its flexibility and quality. The most significant challenges of SGI's transport system are determined by urban expansion in certain areas of the Italian peninsula which makes it necessary to reduce operating pressures, given the shorter distances from residential areas and, consequently, the transport capacity. To maintain satisfactory safety conditions, SGI has planned a multi-year 'health status' monitoring program for 100% of the transportation network, divided into phases and tailored to the characteristics of individual segments.

The **"Asset Health" methodology**, implemented by SGI considering the requirements indicated by THE ARERA, pursues some specific objectives to guarantee business continuity:

- Codify a set of criteria to assess the health status of gas transport assets;
- Assess the health status of all assets in terms of probability of malfunction and possible consequences;
- Assess current risks and how they could evolve over time;
- Assess the need to perform an asset intervention;
- Obtain a set of indicators that provide information on the health status of an asset, as well as meaningful indicators to represent the reliability, safety, performance, and environmental costs/benefits of the network.

The Asset Health methodology allows you to compare different intervention alternatives that can be undertaken to **preserve or improve the health and safety of assets** and thereby support investment decisions, which manage risks and maximize value (considering constraints, costs, impacts, benefits, etc.) for the entire transport system.

Throughout 2023, no non-compliance with regulations and/or voluntary codes regarding the health and safety impacts of SGI services was recorded.

## Cyber security

GRI 418-1

At SGI, as an essential service operator, cyber security plays a key role in the correct delivery of the service, with the aim of defending the corporate information infrastructure (computers, servers, network equipment and electronic systems in general) and the data contained in it from malicious attacks.

SGI has considered and analyzed various aspects of cyber security, such as network security, application security, information security, operational security, disaster recovery and business continuity, end-user training, and has put in place all appropriate countermeasures to mitigate and reduce potential negative impacts.

For the management of cyber security SGI has adopted a National Framework for Cybersecurity and Data Protection (NIST-based), contemplative of the controls of NIS Compliance and GDPR, integrated with further vertical controls deriving from the requirements of the PSCN (National perimeter of Cybersecurity).

Cyber incidents are managed through an internal process that identifies and classifies incidents, defines responsibilities, roles, and methods of reporting incidents to the appropriate authorities (CSIRT). This document provides pre- and post-incident activities to be undertaken when a cyber event occurs, in order to contain damage and prevent the propagation to other assets, remove any vulnerabilities found, restore services to the assets involved, and prevent them from occurring again in the future.

User training and awareness of cyber security plays an important role in SGI. In 2023, two assessments were carried out on the security infrastructure implemented by SGI, carried out by Capgemini and EY, both with a positive outcome.

During the 2023, no incidents of privacy breach, data leakage or data loss were recorded.

# Responsible governance



GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18

SGI's governance system follows the "traditional" model of administration and control, of which its main governing bodies are represented by the Shareholders' Assembly, the Board of Statutory Auditors, and the Board of Directors.

The rules and methodologies for planning, management, and control that comprises the corporate governance system are defined by the Board of Directors in compliance with the applicable regulations and the best national and international practices.

The Board of Directors, chaired by the President of the Company, consists of seven members, as determined by the shareholders' assembly, who hold office for a period not exceeding three financial years. Their appointment is made in agreement with the shareholders, following precise and

detailed procedures that regulate the entire process, including selection criteria, in accordance with the principles of non-discrimination and equal opportunities. Appointments are made without limitations related to gender or other personal characteristics. Particularly, the appointment of the CEO is made ensuring that the role can be performed without potential conflicts of interest, such as, for example, those due to the overlap of different roles and positions, and in line with the provisions of the Civil Code.

The SGI Board of Directors registered a change in the first quarter following the appointment of the new CEO and a subsequent change in the fourth quarter of 2023 following the change of a Counselor. Composition of the Board of Directors as of December 31, 2023:

Fulvio Conti	President	Man	>50
Roberto Loiola	Chief Executive Officer	Man	>50
Roberta Benedetti	Board Member	Woman	>50
Paolo Pietrogrande	Board Member	Man	>50
Gabriele Damiani <sup>2</sup>	Board Member	Man	30-50
Charlotte Brunning	Board Member	Woman	30-50
Marissa Dardi	Board Member	Woman	30-50



<sup>2</sup> In April 2024, the Board of Directors was renewed: Director Gabriele Damiani was replaced by Patrick Herger of the shareholder Swiss Life.



The Board of Directors (BoD) is vested with extensive powers for the management of the Company, with the authority to perform all acts, including disposals, which it deems appropriate for the implementation and achievement of the corporate purposes, except for those reserved exclusively to the Shareholders' Assembly by law.

It is the responsibility of the BoD to determine the Company's goals and strategic lines, including those related to sustainability topics, as well as the profile and risk levels of the Company, defining its main impacts, corporate policies, and those of the enterprise risk management system, monitoring and verifying their correct implementation and consistency according to the evolution of the business activity. The Board of Directors monitors the development and oversees the approval and updating of the organization's vision and mission, strategies, policies, and objectives related to sustainable development. To this end, it is periodically informed about the main reference scenarios concerning work organization, business performance, environmental policies, and personnel, and, if necessary, provides guidance for managing any critical impacts with a view to ensure constant alignment with business strategies and corporate sustainability policies.

In relation to these matters, the Board of Directors annually approves the Sustainability Report, voluntarily prepared by the Company, through which it assesses and monitors the performance of the entire Company and its governing bodies, with respect to stated objectives regarding economy, environment, and people. Moreover, it is the responsibility of the Board of Directors to review, modify, and approve the ESG Sustainability strategy, as well as the industrial and financial strategies, annually monitoring their implementation. Regarding ESG issues, many members of the Board of Directors, especially the Chief Executive Officer, actively participate in public debate, providing their vision contributions - through media interviews or participation in public events - in identifying and managing the organization's impacts on the economy, environment, and people.

The Board of Directors has delegated some of its functions in managing the organization's impacts on the economy, environment, and people to internal company officers who periodically report on ESG (Environmental, Social, Governance) performance and objectives achieved.

In 2023, an HRCC Steering Committee was appointed for the management and monitoring of personnel-related matters. Additionally, in the early months of 2024, a Steering Committee dedicated to ESG issues was also appointed.

The Chairman of the Board of Directors represents the Company and oversees institutional relations of the Company and those with the shareholders, without this being an executive power.





## Business ethics and integrity

GRI 2-15, 205-1, 205-2, 205-3, 206-1

Awareness and diffusion of the culture of ethics, equity and inclusion, respect for human rights by management, employees, business partners and other stakeholders are fundamental elements of SGI's way of doing business.

The fight against corruption and the condemnation of any corrupt behavior have always been fundamental values that SGI is inspired by in the performance of its activities. For this reason, the Company has provided itself with useful tools to guarantee an adequate control of the risk of corruption, in whatever form it can be realized, active and passive, public and private.

In particular, SGI is committed to prevent corruption through a series of behavioral norms, control tools, and procedures aimed at preventive and retrospective verification of the conduction of activities to prevent and suppress any form of unethical behavior or of corruption. Communication and training sensitize both internally and externally on the issue of corruption and create the necessary capacity to fight it. To this end, all members of the Board of Directors and employees of SGI have been informed of the regulations and anti-corruption procedures adopted by the Company. The maintenance and protection of reputation are, in fact, essential elements for the Company to be adequately perceived by its stakeholders as a serious and reliable counterparty.

SGI, in compliance with the legislation, implements measures to prevent and combat corruption and illegal practices, with the adoption of:

- Model of Organization and Management ex Legislative Decree 231/01;
- Code of Ethics;
- Policies to avoid episodes of corruption.

The Company does not tolerate any form of corruption or unethical behavior, considering it a risk to a sustainable development economy, good governance, and fair practices. To this end, it is committed to raising awareness among suppliers and partners, training its employees, and developing appropriate procedures, particularly to regulate relationships with entities and institutions, suppliers, and clients.

More than 95% of SGI's most significant commercial transactions (worth more than €2.000) are preventively evaluated to determine possible risks related to corruption. Moreover, in the event that situations of conflict of interest, including potential ones, are identified, whether internal or

external to the company's activities, each involved party is required to refrain from engaging in the conflicting conduct and promptly notify their direct supervisor via corporate email. The supervisor will then initiate internal procedures for appropriate verifications.

In 2023, SGI provided anti-corruption training courses to Top Management and its employees, committing to communicate and disseminate the adopted regulations and procedures to the main stakeholders (refer to tables 22, 23, 24, and 25 attached for details).

In 2024, on the update and revision of the 231/01 Organizational and Management Model, a training program on anti-corruption topics will be promoted, involving all levels of the company.

It should be noted that in 2023, no instances of violations of the Code of Ethics, corruption incidents, or legal actions concerning anti-competitive behavior or antitrust law violations involving the organization were recorded.



# SGI's organizational management model 231/01

## GRI 2-27

SGI is sensitive to the expectations of its shareholders and recognizes the importance of a control system to prevent the commission of crimes by its staff, consultants, and partners.

To this end, although the adoption of the model is legally optional and not mandatory, SGI, in accordance with its corporate policies, adopted this model for the first time in 2005 with a resolution of the Board of Directors and, with the same resolution, established the external Supervisory Body (ODV), modifying it over time to align it with new types of crimes covered.

The adoption and effective implementation of this system not only allow SGI to benefit from the procedural advantages provided by Legislative Decree 231/2001 in the event of criminal proceedings but also improve its Corporate Governance by reducing the risk of crime commission. For the purposes of preparing this model, SGI carried out an analysis of its own crime risk areas and their consequent proceduralization, considering, in its drafting, the provisions of Legislative Decree 231/2001 and the guidelines.

Milestones of the model are:

- The mapping of the Company's sensitive activities in which offenses may be committed;
- The assignment to a supervisory and control body (ODV) of the task of effectively and correctly implementing the model also through the monitoring of company behavior;
- The verification and documentation of any transaction relevant to Legislative Decree 231/2001;
- Respect for the principle of separation of functions;
- The definition of authorization powers consistent with the responsibilities assigned;
- The activity of verifying the functioning of the model with consequent periodic updating (ex post control);
- Awareness-raising and dissemination of rules of conduct and established procedures at all levels of the company.

The adoption of the model has enabled SGI to build a structured and organic system of control procedures aimed at the prevention of crime by identifying activities exposed to the risk of crime and the consequent procedural actions. SGI, through the adopted Management System, constantly monitors governance performance data within the requirements of Legislative Decree (L.D.) No.

231/2001, introducing a genuine due diligence process aimed at monitoring all business processes to combat possible human rights violations and the environmental crime commission with specific impacts on the environment. It should be noted that in 2023 there were no significant cases or financial penalties relating to cases of non-compliance with laws and regulations, or violations of the 231/01 organizational model adopted.

## Whistleblowing protocol

### GRI 2-16, 2-26

Any reports regarding episodes of corruption or violations of the 231/01 Model or SGI's ethical principles, including unofficial ones, as well as those from employees, consultants, and partners, must be directed to the Supervisory Body (hereinafter also referred to as "Body" or "OdV") using the email address: [odv@sgispa.com](mailto:odv@sgispa.com).

In accordance with national and European regulatory requirements, the Company has adopted an internal reporting channel that allows the whistleblower to submit communications regarding observed issues, violations, or misconduct they have become aware of, either openly (where the whistleblower consents to the disclosure of their identity during the investigation), confidentially (where the whistleblower provides their name to the recipient but does not consent to its disclosure), or anonymously (where the whistleblower does not provide their name even to the recipient). The OdV will exercise its discretion in evaluating each report received, potentially arranging to hear from the author of the report and/or the person responsible for the violation.

The Body ensures confidentiality for whistleblowers, protecting them from any form of retaliation, discrimination, or penalization, and guaranteeing the confidentiality of the whistleblower's identity, subject to legal obligations and the protection of the rights of the Company or individuals unjustly accused. The obligation to provide information generally applies to all personnel who come into possession of information related to the commission of crimes within the Company or practices not in line with the adopted rules of conduct.

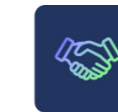
It should be noted that no critical issues were reported or communicated to the Board of Directors in 2023. In 2023 the Supervisory Body received no whistleblowing reports.

## The Code of Ethics

SGI's Code of Conduct sets out precise ethical standards and lines of conduct that the Company requires to be observed by all those with whom it comes into contact in the achievement of its objectives, ensuring its timely disclosure to directors, employees, consultants, suppliers, customers, and those who, by virtue of specific mandates or procure, represent the Company toward third parties. SGI's adoption of the Code of Conduct aims at preventing misconduct, and at ensuring that possible conflicts of interest are prevented and mitigated. SGI values are:



Collaboration and transparency



Trust and respect



Innovation and continuous improvement



Responsibility



Sustainability

### Ethics in conducting business and business activities

The Company is committed to acting transparently, with integrity and honesty, basing its relationships on utmost loyalty, responsibility, and the protection and enhancement of corporate assets, condemning the use of unethical behavior.

### Work ethics, employee protection and value

The Company prioritizes safeguarding the moral integrity of individuals and their fundamental rights in conducting its operations, ensuring equal opportunities and a climate of utmost inclusivity.

### Commitment to sustainable development and responsibility for the community

The Company operates considering the needs of the communities in which it conducts its business and contributes to their economic, social, and civic development by promoting innovation, scientific research, and education.

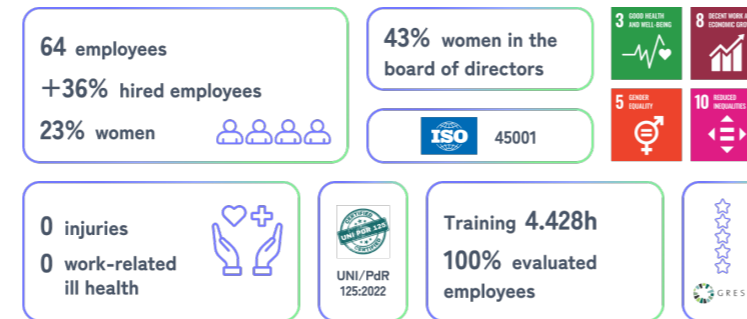
# SGI and its people

## GRI 2-30

SGI, in its commitment to ensuring excellence, regards its employees as the driving force representing a **key strategic lever** to compete and develop the business. The well-being of employees and its collaborators ensures a steady and lasting growth of the Company.

The growth of Società Gasdotti Italia Spa is based on **open innovation**, sustainable development and attention to the well-being of employees and collaborators. The goal is ambitious: to build a better future through innovation and the use of technologies that improve the quality of people's work and lives.

All SGI employees are covered by the National Collective Labor Agreement for Energy and Oil. SGI recognizes the importance of consultation and the participation of workers, including their representatives and social partners, as counterparts to help define appropriate labor management policies and procedures and ensure the freedom of its people to join and/or associate with trade unions or workers' organizations.



## SGI's employees

### GRI 2-7, 2-8, 405-1

As of December 31, 2023, the total number of SGI employees **amounts to 64, comprising 49 men and 15 women**, with a 33% increase in the total number of Company employees compared to 2022, due to multiple hirings made during 2023 to strengthen the organizational structure in anticipation of a subsequent reorganization of SGI's activities.

Below are detailed breakdowns of the distribution of employees by contract type, age group, gender, and professional classification.

Total number of employees by contract type, gender							
Site	Contract type	2022			2023		
		Male	Female	Total	Male	Female	Total
Italy	Permanent	37	10	47	48	15	63
	Fixed-term	0	1	1	1	0	1
<b>Total</b>		<b>37</b>	<b>11</b>	<b>48</b>	<b>49</b>	<b>15</b>	<b>64</b>

Total number of employees per full-time/part-time contract							
Site	Full-time/Part-time	2022			2023		
		Male	Female	Total	Male	Female	Total
Italy	Full-time	37	11	48	48	15	63
	Part-time	0	0	0	1	0	1
<b>Total</b>		<b>37</b>	<b>11</b>	<b>48</b>	<b>49</b>	<b>15</b>	<b>64</b>

Table 1 - Employees by contract type, gender and region (GRI 2-7)

As of December 31, 2023, 98% of SGI employees have a full-time permanent contract. Regarding non-employees, there was only one intern in 2023, a decrease of one unit compared to 2022.

As highlighted in the table below, 6% of SGI employees hold managerial positions, 14% are classified as executives, 59% as employees, and the remaining 20% as workers. Of the total employees, 25% are over 50 years old, 67% are aged between 30 and 50 years, and 8% are under 30 years old. In 2023, 3% of the company's population, specifically two men - one classified as an executive and one as an employee, belong to protected categories.

Regarding the SGI Board of Directors, 57% of the members are male, while the remaining 43% are female. The same percentage values apply to the breakdown by age groups: 3 members are aged between 30 and 50 years, while 4 are over 50 years old. For further details, please refer to tables 26 and 27 in the Annex.

Employees by professional categories and gender						
Percentage	2022			2023		
	Male	Female	Total	Male	Female	Total
Executives	2%	0%	2%	6%	0%	6%
Managers	13%	6%	19%	9%	5%	14%
Employees	42%	17%	58%	41%	19%	59%
Workers	21%	0%	21%	20%	0%	20%
<b>Total</b>	<b>77%</b>	<b>23%</b>	<b>100%</b>	<b>77%</b>	<b>23%</b>	<b>100%</b>

Table 2 - Percentage of employees by professional categories, divided by gender and age group (GRI 405-1)



## Employee engagement

GRI 401-1, 402-1

In recent years, the company's workforce has grown significantly, thanks to the development of business for energy transition, which has necessitated the expansion of the company's know-how and specialized skills. In 2023, 23 employees joined the company, including 7 under 30, 13 employees aged between 30 and 50, and 3 employees over 50, with a hiring rate of 36%. The outgoing turnover rate is 11%, a significant decrease compared to 2022. All related details are provided below and in tables 29, 30, and 31 attached.

For talent selection and attraction processes, the Company relies on external recruitment and headhunting agencies to manage selection for various company roles, considering the values and competencies required by the Company, aiming to attract the best talents available in the market for the sought-after position.

Over time, the Company has also developed strong relationships with local universities with which it collaborates for participation in projects, master's programs, and career days, encouraging direct interaction with students and recent graduates and closer proximity to young talents. Talent attraction and turnover rate mitigation are also facilitated by a compensation package including some additional benefits, partly defined by the applicable National Collective Labor Agreement (such as productivity bonuses, 14 monthly payments, health insurance, and supplementary pension fund) and partly provided by the existing internal supplementary agreement (such as welfare plans, flexible working hours, meal vouchers).

To stimulate motivation and engagement towards the company, the Company is working on implementing processes to define training and development paths for all employees.



Hiring								
Number	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Male	0	4	0	4	5	10	2	17
Female	0	3	0	3	2	3	1	6
Total	0	7	0	7	7	13	3	23

Table 3 - Total number of new hired employees, divided by gender and age group (GRI 401-1)

Turnover								
Number	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Male	0	5	4	9	0	5	0	5
Female	0	2	0	2	0	1	1	2
Total	0	7	4	11	0	6	1	7

Table 4 - Total number of former employees, divided by gender and age group (GRI 401-1)

In full compliance with legal obligations regarding employee involvement, or their representatives, in business reorganization processes, it is specified that the notice period for shift or work schedule changes is set at 3 days as defined by the National Collective Labor Agreement for Energy and Oil.

## Employee evaluation and remuneration

GRI 2-19, 2-20, 2-21, 405-2

SGI compensates its employees based on professionalism, role, and achieved results, aiming to ensure and maintain a highly competitive compensation structure, based on continuous and systematic comparison with the reference markets in which it operates. The definition and updating of compensation are determined through clear, fair methods and tools, subject to constant communication, in compliance with ethical principles and contractual law. Members of the Board of Directors receive a fixed quarterly allowance, determined and approved by the Shareholders' Meeting. The compensation of executives, within the corporate organizational chart, consists of a fixed component defined in consideration of the applied industry executives' national collective labor agreement (CCNL), and a variable component (MBO) internally defined, as a percentage of the annual compensation and achievement of annual targets. This variable component is also shared and approved by the Board of Directors. The compensation for executive positions within the Company is deter-

mined in consideration of the applied Energy and Oil national collective labor agreement (CCNL) for the fixed component. For some executives, based on their assigned organizational role, there is also a variable compensation (MBO) internally defined, as a percentage of the annual compensation and achievement of annual objectives.

The compensation systems are aimed at ensuring recognition of achieved results, the quality of professional contribution provided, and individual development potential. SGI adopts an annual variable incentive system aimed at remunerating the performance of employees who have excelled throughout the year. Additionally, there is a Productivity Bonus based on the performance of profitability and company productivity parameters, measured in relation to the goals agreed annually between the company and the trade union representatives (RSU).

SGI provides a system for assigning and evaluating personal and business objectives (MBO). All MBOs are linked to annual goals, which also assess the achievement of results in terms of environment and sustainability, personnel development, and financial impacts.

All evaluation processes are formalized and involve communication and mutual feedback between managers and employees, to gather useful elements for defining new development and enhancement actions for individuals.

SGI has calculated the ratio<sup>3</sup> between the highest-paid employee's salary within the organization and the median of the total salaries of all the Company's employees, which as of December 31, 2023, is 20. In a transparency logic oriented towards gender equality, SGI has calculated the ratio between the average base salary and the overall average compensation<sup>4</sup> of women compared to men for each professional category, of which the respective details are provided below.

<sup>3</sup> Regarding the GRI 2-21 indicator Requirement b), it is specified that the percentage variation in compensation compared to the 2022 value was not reported due to data incomparability. In 2023, in addition to the hiring of 23 employees, a new CEO was appointed.

<sup>4</sup> The total compensation of employees for 2023 was calculated considering both the fixed and variable components of the received compensation, including: MBO, personal add-on bonus, productivity bonus, and LTI where applicable.

Ratio of basic salary average of women to men		
	2022	2023
Basic salary	Women-to-Men ratio	Women-to-Men ratio
Executives	n.a.	n.a.
Managers	84%	84%
Employees	89%	89%
Workers	n.a.	n.a.

Ratio total compensation average of women to men		
	2022	2023
Total compensation	Women-to-Men ratio	Women-to-Men ratio
Executives	n.a.	n.a.
Managers	85%	99%
Employees	93%	90%
Workers	n.a.	n.a.

Table 5 - Relationship between basic salary and total remuneration of women to men (GRI 405-2)

## Employee assessment process

GRI 404-3

During 2023, all the Company's employees underwent performance evaluations. Through the evaluation of its personnel, SGI plans, manages, and reviews the quantitative (results) and qualitative (skills and behaviors) contributions that its people provide to the entire organization, relative to their positions and assigned tasks, to achieve the Company's strategic objectives.

The systematic valorization of the performance allows:

- a) to those responsible for:
  - declining their goals and key responsibilities by directing the expected outcomes of people in a consistent manner;
  - structuring a process of planning, monitoring and performance assessment with collaborators;
  - having transparent and shared rules to define management and development interventions based on the different levels of contribution to the achievement of the results of the unit/direction of belonging given by the different persons.

b) to people to:

- obtain a better understanding of the type and value of their contribution to the achievement of business objectives;
- reduce uncertainty about prior goals and their responsibilities and make daily action more concrete;
- develop greater awareness on their strengths, areas of improvement, and possible development actions for effective performance through systematic sharing and feedback with their manager;
- develop a sense of belonging and trust toward the Company through participation in the achievement of the targets managed with a transparent and adequately communicated process.

Performance evaluation is conducted through continuous dialogue between the Manager and the Collaborator, with supervision from the Performance and Development Validation Committee. The process begins with performance planning, where the expected results and areas for improvement of the Collaborator are defined. It continues throughout the year with ongoing monitoring and feedback on performance, and periodic reviews (twice a year) between the Manager and the Collaborator to

assess progress.

The evaluation of individual performance culminates in assessing the level of achievement of results and improvement of skills for each Collaborator. This evaluation differentiates between those included in the MBO system (Function Managers) and those included in the "SSP (Performance Development System)," which applies to roles that have a direct, limited impact on the company's macro-processes.

More details are provided in tables 32 and 33 in the Annex.



## Corporate welfare

GRI 401-2

SGI provides to its employees a rich program of welfare initiatives, in coherence with the company values, to confirm the centrality of the resources for the achievement of its objectives. Some benefits are provided by the applied CCFL, including:

- Supplementary sector health insurance (FASIE);
- Supplementary sector pension fund (Fondenergia);
- Productivity Award.

Other types of benefits have been supplemented in an additional way by SGI:• Visite mediche specialistiche rivolte alla popolazione femminile di SGI;

- Specialized medical visits aimed at the female population of SGI;
- Parental leave;
- Leave for medical appointment or personal needs;
- Leave for school enrollment;
- School allowances;
- Optional medical check-up.

Furthermore, specific welfare plans for employees – excluding executives – are included, which allow the partial or total conversion of the Productivity Bonus into welfare, the "on top" plan as a base for all employees, and the "Incentive Plan" for those who convert their productivity bonus. Other forms of benefits guaranteed to all or some employees include:

- Life, accident, and disability insurance;
- Meal vouchers, with an amount higher than the average;
- Company laptop and mobile phone;
- Company car.



## Talent development and enhancement

SGI supports the professional growth of its employees through customized professional development plans aimed at helping them develop knowledge and skills aligned to a constantly evolving work environment. SGI is committed to positively welcoming the professional expectations of its employees by defining a process to identify growth opportunities that assess both training and development needs, and the skills and knowledge required by the company, evaluating incentives and potential promotion opportunities, including in terms of compensation.

SGI facilitates collaboration through transparent and regular communication with its team and encourages cooperation between functions/areas, taking into consideration the impact of its actions on others' activities and objectives.

The Company intends to enhance collaboration and dialogue by promoting team-building activities that strengthen corporate relationships, fostering a sense of belonging and collaboration among colleagues. In 2023, an excursion to the “Blockhouse” (Monte Maiella) was organized: an important bonding moment in which all SGI employees actively participated.



## Upskilling and reskilling SGI's employees

GRI 404-1, 404-2

Training, in addition to consolidating and expanding the sphere of skills, also aims at creating awareness and empower employees with regards to the company's objectives and strategies. During 2023, SGI provided over **4,400 hours of training to its employees, with an average of 69 hours of training per capita.**

On HSE topics, SGI provided **1,462 hours of mandatory training.**

The Company allocates its own internal budget for training, necessary to develop the technical and transversal skills of its employees. It also utilizes the funds available in its "Fondimpresa" and "Fondir" accounts, using these resources to promote training plans in line with business needs. Training needs are collected by the HR function, which requests that business functions indicate any skill gaps, and the related training needs necessary to reduce these gaps. With the support of the requesting functions, HR identifies the employees who will receive the training and the providers who can deliver it. HR then determines the most appropriate form of training delivery, plans and schedules the training, and reports the hours, costs, and participants at the end of the courses.

All employees in the organization receive appropriate training and periodic updates on organizational policies and procedures to ensure they are aware of and adhere to their health and safety responsibilities. The Company establishes training paths for both technical skills, related to technical-specialist tasks, and transversal skills, such as language, IT, and managerial skills.

The training methods include classroom training, e-learning, self-learning, and experiential learning. In 2023, in addition to mandatory training courses for new hires, specialized training courses were provided for employees and workers, such as the "Level 1 Cathodic Protection Technician Course" and the "Gas Measurement Course," each lasting 40 hours. Other training activities covered the UNI EN ISO 14064-1 standard, the Gender Equality Course for UNI/PdR 125:2022 certification, and various middle management courses aimed at all SGI employees.

Training hours by employee category and gender						
Training hours	2023					
	NO. Hours male	NO. hours pro-capite male	NO. Hours female	NO. hours pro-capite female	NO. Hours Totals	NO. hours pro-capite
Executives	148	37	0	-	148	37
Managers	486	81	296	99	782	87
Employees	1.564	60	686	57	2.250	59
Workers	1.248	96	0	-	1.248	96
<b>Total</b>	<b>3.446</b>	<b>70</b>	<b>982</b>	<b>65</b>	<b>4.428</b>	<b>69</b>

Table 6 - Average number of training hours per year by employee category and gender (GRI 404-1)

## Non-discrimination and equal opportunities

GRI 406-1

Dialogue and the exchange of opinions are fundamental pillars of the corporate culture, which has always been oriented towards creating an environment where every individual can freely express their ideas, with the assurance of being heard and respected. The Company prioritizes the protection of the moral integrity of individuals and their fundamental rights in its operations, ensuring equal opportunities and a highly inclusive environment. It recognizes that inclusion and the creation of a safe working environment are stimulating factors for the development of the company's potential and each individual resource.

To this end, it promotes monthly all-hands meetings as a tool for sharing and contact, to welcome opinions and suggestions and foster a climate where diverse perspectives contribute to collective growth and success. SGI condemns and combats behaviors with any discriminatory intent based on political and union opinions, religion, race, nationality, age, gender, sexual orientation, health status, and any other intrinsic characteristic of the human person.

It should be noted that in 2023, no incidents of discrimination or human rights violations were recorded at SGI.



## SGI's initiatives to promote Diversity & inclusion

GRI 401-3

At SGI, diversity is recognized as a distinctive trait to ensure proactivity, creativity, and active participation of employees and it is considered a fundamental factor of resilience. SGI is committed to supporting the values of diversity and inclusion through the adoption of corporate, organizational, and managerial mechanisms based on respect for people's rights and freedoms. In this direction, the path taken aims to evolve the ways of overseeing diversity-related issues, moving from an approach focused on the protection and integration of diversity to a proactive strategy for overcoming all cultural stereotypes to identify, prevent, and counteract factors that may hinder inclusion in the workplace.

In 2023 the Company began its journey to obtain UNI-PdR 125:2022 certification. The project has planned different activities and initiatives carried out throughout the year:

- existing procedures were updated, and new ones were created for processes not yet covered (such as the personnel selection process);
- during selection processes, whether handled by external recruiters or internally, a pool of candidates as diverse as possible in terms of gender was always considered, to increase the percentage of women in the company;
- on the training front, an initial activity focused on gender diversity was conducted, which will be repeated annually with a focus on biases, prejudices, and stereotypes;
- on the communication and employee engagement front, an internal survey was conducted to gather feedback and receive proposals on future actions to be taken;
- a Steering Committee was established, which defined the Policy and Strategic Plan on Diversity & Inclusion issues, along with a dedicated reporting channel to anonymously collect any reports.

In the first months of 2024, SGI obtained the Gender Equality Certification UNI-PdR 125/2022, demonstrating that the Company strongly believes in the value of people and their diversity and wants to ensure equal opportunities for professional growth for everyone in the company. SGI formally commits to promoting a management policy that focuses on diversity, gender equality (all genders), inclusion, women's empowerment, and equal opportunities.

With the UNI-PdR 125:2022 certification, SGI developed its own internal policy on equal opportunities

and a strategic plan focused on:

tunità e un piano strategico focalizzato su:

- employee training on gender issues, biases, and dynamics to be managed in a context where diversity is present;
- recruitment policies aimed at increasing the number of women in the Company;
- recruitment policies aimed at increasing the number of women in the Company;
- policies supporting work-life balance and flexibility.

SGI ensures mechanisms to protect job positions and maintain equal levels of compensation for employees returning from maternity leave and in response to parental leave policies. The company aims to foster a balanced and diverse leadership, thus contributions from all genders are equally valued in internal decision-making processes. In this regard, SGI acknowledges the right of all employees to avail themselves of parental leave.



Parental leave			
Number	Male	Female	Total
<b>Employees who received parental leave in 2023</b>	1	1	2
still on leave	0	0	0
returned and still employed	1	1	2
of which resigned	0	0	0
<b>Return-to-work rate</b>	<b>100%</b>	<b>100%</b>	
<b>Loyalty rate</b>	<b>100%</b>	<b>100%</b>	
<b>Employees who received parental leave in 2022</b>	1	1	2
still on leave	0	0	0
returned and still employed	1	1	2
of which resigned	0	0	0
<b>Return-to-work rate</b>	<b>100%</b>	<b>100%</b>	
<b>Loyalty rate</b>	<b>100%</b>	<b>100%</b>	

Table 7 - Parental leave (401-3)<sup>5</sup>

<sup>5</sup> The table shows all employees who have taken leave during 2023, intended as:

- Parental leave “a period of optional retirement from work, granted to workers and workers to take care of their children in their first years of life and satisfy their affective and relational needs”;
- Paternity leave “period of abstention from work granted to working fathers of 10 days, which may be used within the period of 2 months preceding the estimated date of birth to 5 months after birth, both in the case of birth and in the case of perinatal death of the child”.
- Maternity leave “Duty to abstain from work for the worker two months before the estimated date of birth, until three months later (there is, however, the possibility of abstaining at a time before the two months preceding the estimated date of delivery – under certain conditions of health of the worker – or the month preceding the estimated date of delivery and the following four months), with 80% of the salary.”

Number of employees who have received permissions		
Number	2022	2023
	Total	Total
<b>Compulsory and optional parental leave (including breast-feeding) and childcare</b>	5	2
<b>Study</b>	0	0
<b>Other (for example: Permits Law 104)</b>	9	14
<b>Total</b>	<b>14</b>	<b>16</b>

Table 8 – Number of employees who have received separate permissions based on the type of reason

## Occupational health, safety and well-being

The attention to the well-being and health, as well as the safety of workers, is a key element for SGI's industrial reality.

SGI's systematic approach to health and safety management is based on a process of continuous and open communication with internal personnel and all employees of subcontracting companies (management, supervisors, workers), promoting a proactive approach to disseminate and reinforce one of the guiding principles of business activities: **safety should never be compromised**.

Through the adoption and implementation of processes and procedures, supported by the adoption of Safety Management Systems certified according to recognized standards, SGI aims to minimize risks and remove causes that may jeopardize the safety and health of its personnel and third parties operating at the facilities and/or offices.

The principles adopted by the Company as a reference for Quality, Environment, and Safety aspects concern:

- Compliance with current legal provisions regarding quality, safety, and environmental work;
- Development and communication to all stakeholders of the Company of guidelines for environmental protection, safety, and quality of activities carried out;
- Promotion of employees' participation in risk prevention, environmental protection, and health and safety protection processes for themselves, colleagues, and third parties.

SGI's main strategy defines several general objectives for healthy and safe work, including:



Maintenance and improvement of a healthy and favorable work environment



Zero SGI personnel injuries



Zero injuries for employed Contractors and Sub-Contractors



## Employees health and safety

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8

Since 2014, SGI has voluntarily implemented a Health and Safety Management System governed by ISO 45001. This system covers all SGI sites, processes, and employees.

The adoption of the Occupational **Health and Safety Management System** has enabled SGI to implement a real structured process aimed at identifying hazards at work, through:

1. periodic interviews with workers and collection of any reports they may provide;
2. field checks;
3. "near miss" analysis.

Through the "near miss" reporting procedure, non-conformities found in the process are identified and reported, allowing for the analysis of all relevant information and the initiation of investigations to identify elements for improving the management system. To identify and minimize Health and Safety risks, SGI relies on an external Competent Medical Practitioner who provides periodic medical examinations to all SGI employees. In addition to these examinations, the company offers its employees the opportunity to undergo voluntary medical check-ups, hematological tests, eye examinations, preventive visits dedicated to female staff, and other types of additional checks not included in the mandatory health protocol. To ensure workers participation, consultation, and communication in the Health and Safety management system, SGI periodically conducts consultations with the RLS (Workers' Safety Representative) on risks and training projects to be provided, also the subject of monthly "All Hands" meetings. Annually, the Health and Safety Committee meets, involving company management, workers' representatives, and the company's RLS, to identify and implement preventive measures and corrective action plans on identified risks. Employees are also offered the opportunity to report any hazardous situations through the Google system, which is

always active and allows for anonymous submission of questions, reports, and improvement proposals. On a regular annual basis, the Committee on Health and Safety at work, involving the employees' representatives and the company's RLS reporting to management, with the objective of hazard identification and risk assessment, is to be met. this will identify and implement preventive measures and corrective action plans.

Continuous maintenance and updating of employees' Health and Safety knowledge are of paramount importance to SGI, which therefore provides a series of general training activities (fire safety and first aid training) for all new hires, as well as more specific sessions for supervisors and safety managers (specific risks such as confined spaces and ATEX). In 2023, approximately 1468 hours of mandatory HSE (Health, Safety, and Environment) training were provided to company employees.



## Work-related injuries

GRI 403-9, 403-10

Similarly to 2022, no injuries were recorded for the company's employed workers throughout 2023, nor were there any reported occupational illnesses. Consequently, the rates related to injuries and occupational illnesses for employees are zero.

Regarding non-employed workers, on SGI's construction sites, the total hours worked by contractors in 2023 amounted to 371,025. In 2023, SGI achieved the "Zero Accidents on Construction Sites" objective. Furthermore, similar to 2022, no occupational illnesses were recorded for non-employed workers in 2023.

To minimize the risks of workplace injuries, SGI implements a cultural process aimed at educating employees, identifying competent functions in the field, and fostering a change in mindset.

For detailed information regarding the injury rate and hours worked by employees during 2023, please refer to the tables in the Annex.

For SGI, 2023 was a challenging and transformative year in terms of strengthening the HSE (Health, Safety, and Environment) function. Several initiatives were launched, including the #SafetyDay aimed at raising awareness about the importance of preventing workplace injuries. The event, organized by SGI, took place in Frosinone under the Patronage of the Municipality of Frosinone, the Local Health Authority of Frosinone, and the National ANMIL (National Association of Victims of Occupational Injuries).

The event featured discussions with institutions and industry experts, testimonials from victims of workplace incidents, and artistic performances.



# SGI's value chain



Consistency, transparency, and proactivity are the criteria by which SGI engages with its **value chain**, recognizing that its involvement and integration in business processes play a **key role** in achieving the company's sustainability goals.

To achieve technological efficiency, it is necessary to improve the safety, reliability, and sustainability of assets while simultaneously enhancing the technological capabilities of the value chain, constantly monitoring compliance with the company's ethical and social principles.

**Promoting the development of social responsibility practices among suppliers and customers** that ensure respect for human rights throughout the value chain, including through training and awareness activities, **is one of SGI's main drivers of corporate strategy**, aimed at improving reliability and safety, encouraging emissions reduction, and stimulating the development of innovative approaches to support green businesses and the circular economy.

# SGI's supply chain

GRI 204-1, 308-1, 308-1, 414-1,414-2, 407-1, 408-1, 409-1

Suppliers play a fundamental role in enhancing SGI's competitiveness in the market, and in this perspective, they are selected based on **possessing the best characteristics in terms of ESG performance**, quality, innovation, cost, service, and continuity.

The selection process adopted ensures the best interest for the Company and all its stakeholders and promotes the creation of stable, transparent, and collaborative relationships between SGI and its value chain. ESG evaluations of suppliers are a **strategic tool to support and identify risks and opportunities related to social sustainability**, contributing to the development of continuous improvement strategies for company performance on sustainability issues.

Supplier performance, in addition to ensuring the highest quality standards, must involve practices that are always attentive to respecting human rights and working conditions, health and safety in the workplace, as well as careful environmental and ethical responsibility.

Through the evaluation process, SGI ensures that there are no violations within its supply chain related to workers' rights to freedom of association or collective bargaining, significant risks of child labor, or incidents of forced or compulsory labor.

As much as possible, SGI is committed to selecting Italian suppliers that ensure adequate levels of quality, reliability, and cost-effectiveness, and to favoring local suppliers close to construction areas. For the restructuring of the operational headquarters in Frosinone, for example, SGI exclusively turned to suppliers in Lazio to ensure greater efficiency in raw material delivery activities and contribute to the development of the local economy. In 2023, approximately 74% of the operational expenses incurred by the Company were spent on Italian suppliers.

## Supplier selection process

The Company's Procurement function (APPR) is responsible for the qualification and management process of the suppliers, as well as for the establishment and updating of the SGI suppliers register.

The APPR function, to coordinate part of this process, uses the services of the "REPRO" qualification system managed by "Achilles South Europe SLU" in accordance with the responsibilities and the operating procedures foreseen for all SGI functions.

The qualification process is developed through a sequence of successive steps and is applicable to individual suppliers, consortia, cooperatives, or consulting and/or training companies.

The criteria for the selection and evaluation of supplier candidates are mainly as follows:

- ✓ **Economic and financial reliability**
- ✓ **Management capacity**
- ✓ **Organizational capacity**
- ✓ **Requirements for compliance with applicable regulations**
- ✓ **Technical capacity**
- ✓ **Health and safety requirements for workers, environment, and quality. Accident rates**
- ✓ **Product quality and technology**
- ✓ **Reputational check (criminal record, absence of pending charges, anti-mafia)**
- ✓ **ESG criteria**

The qualification of the supplier candidate presupposes a positive evaluation from all SGI functions involved in the process.

To ensure an adequate level of specialization in the qualification process, SGI's interest activities are published and divided into three areas of interest – assets, jobs and services – each of which is characterized by a level of criticality and a type of process necessary for the qualification process.

They are distinguished respectively in:

- Works, goods and services with a high impact on SGI's performance;
- Works, goods and services with a medium impact on SGI's performance;
- Works, goods and services with secondary impact on SGI's performance.





Depending on the level of criticality assigned, there are different levels of depth and criteria for the selection and evaluation of supplier candidates.

To qualify for the product category for which it is applying, the supplier candidate must pass all the phases outlined in the procedure related to the assigned level of criticality:

- ✓ **Registration in the REPRO System**
- ✓ **General documentary evaluation**
- ✓ **Technical specialist documentary evaluation**
- ✓ **Evaluation of ESG performance**
- ✓ **Audit on management, economic-financial, technical, productive, organizational, and ethical capabilities**

Specifically, for the evaluation of the ESG performance within its supply chain, the procurement function sends a "Sustainability Questionnaire" to all candidates containing a series of requests and evidence on topics such as corporate ethics and integrity, social responsibility, health and safety at work, and environmental management aimed at monitoring their respective performance indicators. SGI periodically monitors the performance of selected suppliers already present in its supplier list, systematically and traceably, to identify areas for improvement, promote qualitative growth, and ensure that the collected information is objective, available, and comparable.

The performance elements contributing to the evaluation primarily include:

-  **Quality**  
 Compliance with contractual and technical obligations, health and safety of workers and environmental standards, based on verification results.
-  **Punctuality**  
 Capacità del fornitore di rispettare i tempi di consegna contrattuali del lavoro, bene o male. The ability of the supplier to respect the contractual delivery times of the work, goods or service requested.
-  **Behavior**  
 Supplier's ability to integrate with involved parties, manage relationships with them according to principles of ethics and professionalism, adopt organizational, operational, and managerial flexibility, and implement contingency plans before, during, and after the contractual relationship.
-  **Performance ESG**  
 Supplier's ability to operate sustainably both within its own company and toward its customers and suppliers.



New suppliers		
Number of suppliers	2022	2023
New suppliers screened using social and environmental criteria	22	9
Total new suppliers	22	9
<b>Total percentage</b>	<b>100%</b>	<b>100%</b>

Table 9 - New suppliers that were screened using social and environmental criteria (GRI 308-1, 414-1)

Negative social and environmental impacts in the supply chain and actions taken				
Number of suppliers	2022		2023	
	N.	%	N.	%
Suppliers screened using social and environmental impacts	22	100%	9	100%
Suppliers that result in significant, potential and current negative social impacts	0	0%	0	0%
[of which] suppliers with whom improvements have been agreed as a result of the evaluation	0	0%	0	0%
[of which] suppliers with whom contractual relations have been resolved as a result of the evaluation	0	0%	0	0%

Table 10 - Negative social and environmental impacts in the supply chain and actions taken (GRI 308-2, 414-2)

For services closely related to environmental issues (waste management, discharges, emissions, dust, etc.), SGI only engages suppliers who are duly authorized or adequately qualified, providing information and procedures on environmental conduct. SGI contractually imposes regulations, procedures, and operational methods (e.g., Environmental Management Operational Plan, environmental guidelines) on suppliers regarding environmental sustainability, verifying their application through specific audits. Since 2019, as an initial test, and continuously since 2020, SGI has introduced rewarding procedures in the evaluation of tender bids. In particular, the following are required:

-  Possession of specific environmental qualifications/certifications (e.g. ISO 14001 and EMAS).
-  Technical solutions, both in the planning and in the work execution phase, for the mitigation of impacts during the execution of the activities/works
-  Estimation of CO2 equivalent emissions in the execution of the activities.

Since 2020, SGI has introduced the specific “Sustainable Site Management” procedure, allowing suppliers to monitor all key aspects of the site in terms of environmental, emissions, habitats and biodiversity, social and governance.



## Customer Centricity

SGI aims to meet the best and legitimate expectations of its customers by providing them with quality products and services under competitive conditions, while adhering to regulations safeguarding competition and the market.

The company's approach places customer satisfaction at the center of the business, focusing its attention not only on current customers but also on potential customers. One of the main objectives is, in fact, to satisfy and proactively anticipate customers' needs, in order to create value in the short, medium and long term by ensuring a high-quality service.

Through feedback, market research and direct interactions, SGI seeks to fully understand the needs and expectations of its customers, demonstrating a constant commitment to monitor and evaluate client satisfaction.

SGI has long-term relationships with its customers, ensuring constant support, ongoing support and service improvements, and offering green solutions that meet customer expectations. To this end, SGI provides its customers with a direct "SOS Gas Emergency" channel at the toll-free number 800. 182. 782. for signaling gas leaks, malfunctions, or disservices.

To ensure the continuous increase in customer satisfaction, the company sets objectives such as:

- Reducing the number of complaints from the field, technical and logistical areas;
- Increasing responsiveness in problem management;
- Constantly monitoring customer satisfaction.

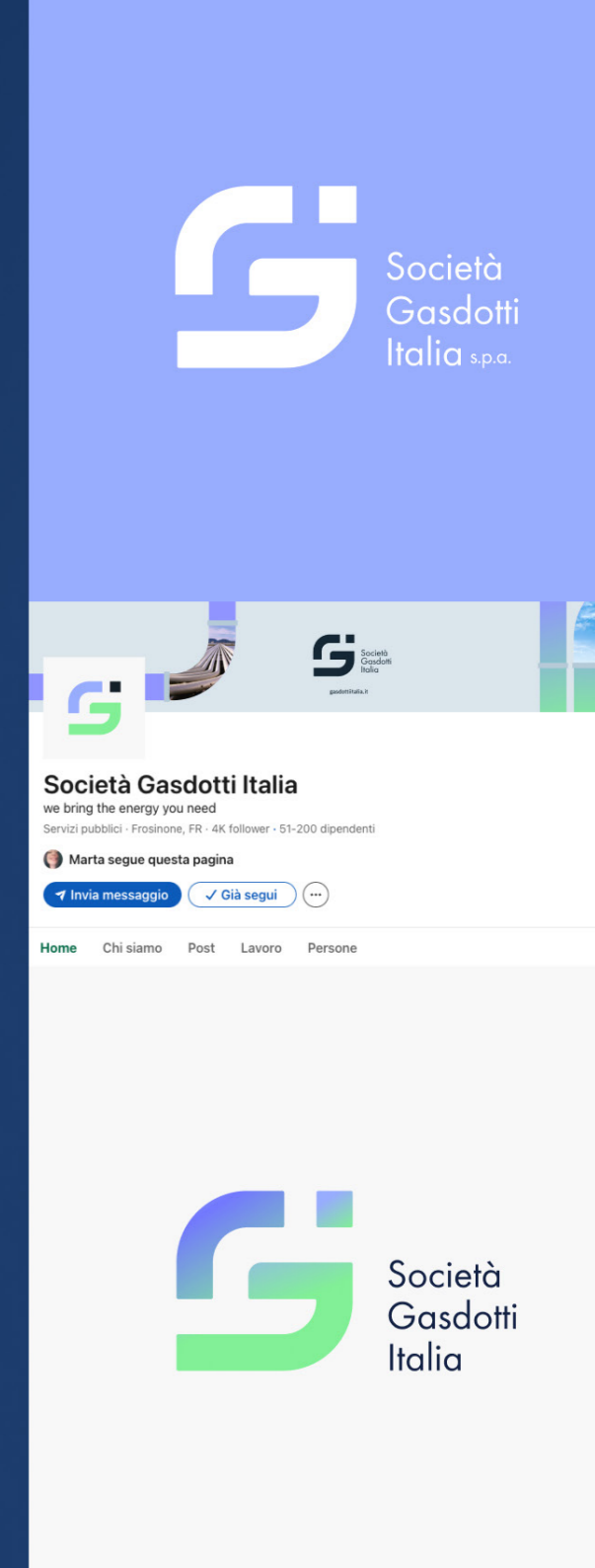
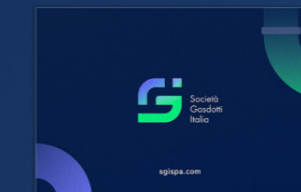
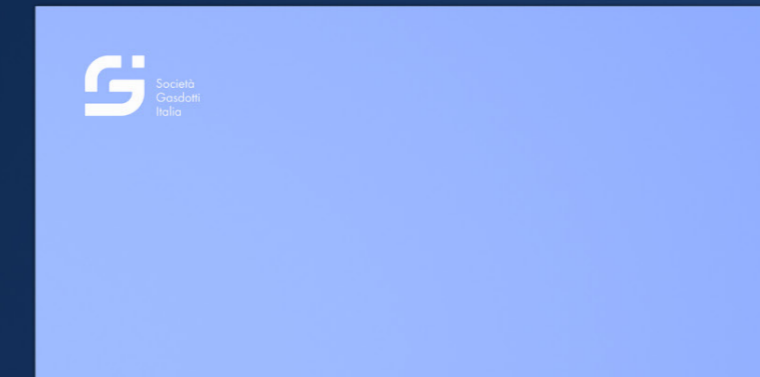
## Brand Reputation

SGI considers the commitment to responsible and sustainable brand identity a fundamental competitive advantage for the company's long-term success.

The established brand identity has allowed over time to provide high-quality service, generating a significant positive economic impact on stakeholders, leading to exponential business improvement. SGI has indeed taken all necessary measures to ensure that its services adhere to the highest ethical, social, and legal standards, aiming to minimize and prevent any potential negative impact on human rights, the environment, and the economy.

In 2023, SGI embarked on a significant rebranding project to increase the company's visibility and recognition globally. Aware that communication is one of the keys to success for the company, SGI invested resources in launching a new corporate logo, redesigning the website, and social channels to renew the communicative approach and strengthen its visual identity.

The new logo and website will adopt a modern and captivating design to best reflect the company's identity and values. The communication approach will be revised to ensure greater coherence and transparency in communication with customers and stakeholders.



**Società Gasdotti Italia**  
we bring the energy you need


Servizi pubblici · Frosinone, FR · 4K follower · 51-200 dipendenti

Marta segue questa pagina

Invia messaggio · Già segui

Home · Chi siamo · Post · Lavoro · Persone





Società Gasdotti Italia

Suppliers Restricted Area

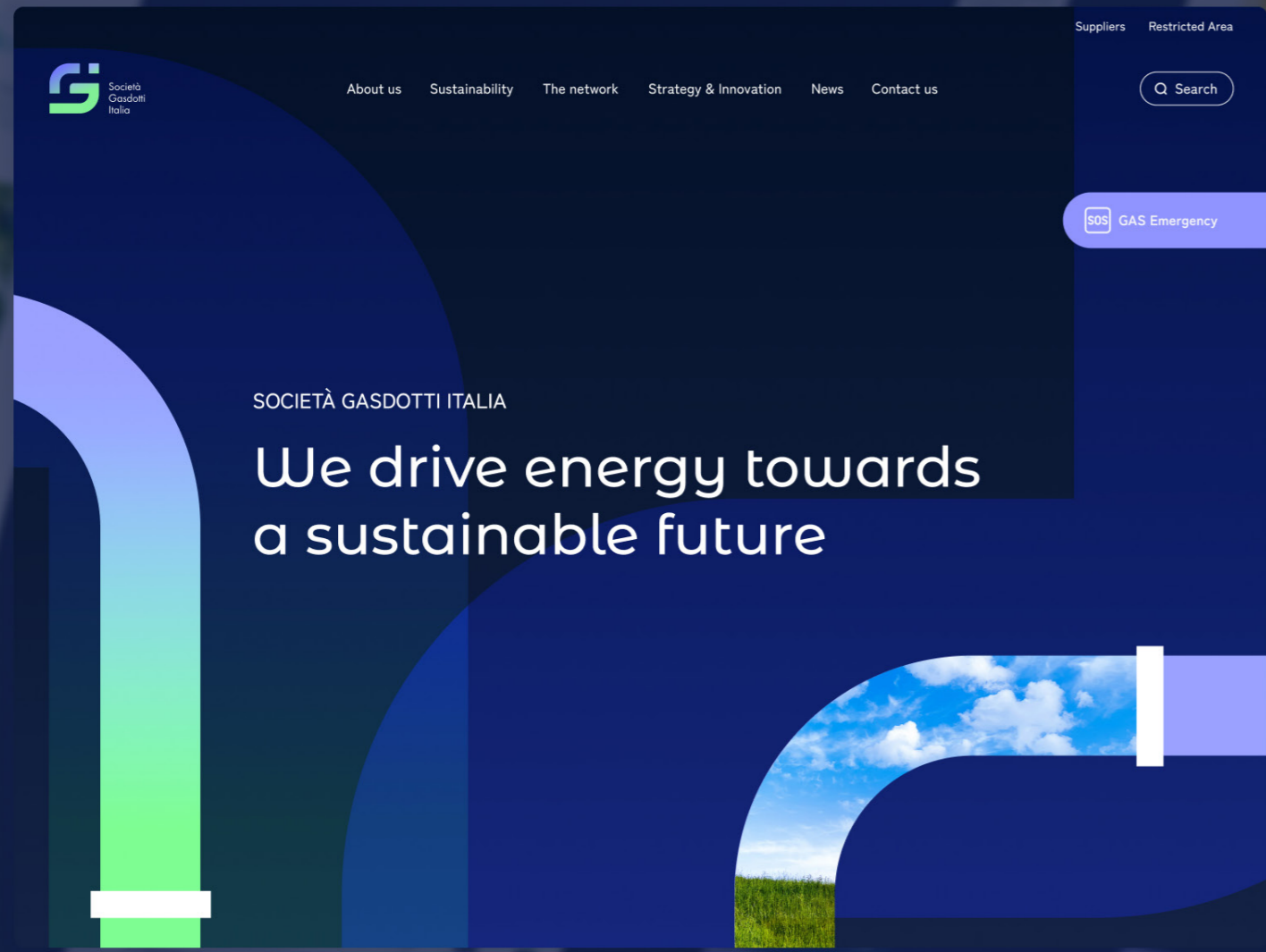
About us Sustainability The network Strategy & Innovation News Contact us

Q Search

505 GAS Emergency

# SOCIETÀ GASDOTTI ITALIA

## We drive energy towards a sustainable future




**1973**  
In Basilicata, gas-in of the regional network of Carugosa (MT).

**1976**  
In Sicily, the first gas-in of the regional network of Comiso (RG).

**1983**  
In Calabria and Veneto, respectively, the gas-in of the regional network of Colibate (VV) and the regional network of Colibate (TV).

**2000**  
SGI reaches 1000 km of network with the construction of the Busso-Roccascio infrastructure and the separation from gas production sector.

**2004**  
SGI and Edison T&S merge to establish Società Gasdotti Italia SpA (SGI).

**2007**  
SGI is acquired by Eiser Infrastructure.

**2012**  
SGI is the first company in Italy to obtain TSO certification for the transmission of energy in the form of natural gas.

**2015**  
The SGI network reaches 1,800 km, providing public service.

**2016**  
The company is acquired by Macquarie and SwissLife Asset Managers.

**2018**  
Enura is established.

**2021**  
The Canadian Ontario Teachers' Pension Plan Fund acquires the majority stake in SGI.

**2023**

**We promote effective communication**  
Through the exchange of information and transparent communication, we are committed to creating an environment in which each individual can fully express their ideas, with confidence in being heard and respected.

**We value diversity**  
Diversity is an asset and a great source of innovation. For this reason, we value our employees' diversity, experience and perspectives with all the capabilities, such as including work environment for all.

**Power-to-Gas: The future of energy**  
The role of gas in the energy transition is one of the pillars of our green vision. The process involves producing hydrogen from a clean and clean energy source, such as wind or solar, and then combining it with natural gas to produce a synthetic gas that can be used in the same way as natural gas.

**Strategic synergies for responsible change**  
In collaboration with important industrial partners and research organizations, we have launched several initiatives to support the energy transition.

**Hybrids project**  
A first-of-its-kind project for the region that will produce green hydrogen and natural gas in a single plant.

**HELIOS project**  
The first Helios plant in central Italy, an innovative hub for the production, storage and use of green hydrogen in the form of synthetic natural gas.

**Pegasus project**  
An industrial-scale initiative that aims to produce 100% renewable hydrogen and synthetic natural gas.

**Sinbio project**  
Thanks to the energy transition with the integrated design of processes for bioenergy and synthetic gas, from sustainable sources.

**Our innovation projects are part of a larger plan**  
In line with the energy strategy outlined in the PDS, we have placed our two-year business development plan to support the direction of implementation.

**We share our environmental policy**  
Sharing is not just a motto, but a declaration of intent to be implemented in all our activities. Since 2019 we have implemented a new strategy, in line with the most advanced standards, to ensure our environmental policy is consistent with the most advanced standards.

**We guarantee transparency and reporting**  
We make data and information about our environmental impact, risks and metrics available and accessible. We report our activities in relation to climate, water and health to ensure consistency with current regulations and quality standards. Since 2019 we have been participating in the disclosure sector of the GRESB benchmark (Global Real Estate Sustainability Benchmark).

**We invest in innovation and research**  
The high potential for innovation and the introduction of green gases into our production are at the heart of our activities. We continuously invest in cutting-edge technological and innovative projects, collaborating with the most advanced research and industry. A constant commitment to the goal of advancing the energy sector.

**We design sustainable initiatives for today and for the future**  
Together with our partners, we launch cutting-edge projects aimed at the most advanced technologies to pave the way for the energy transition.

**We share our environmental policy**  
GRESB  
93/100  
4 stars  
1 estate GRESB

**We promote effective communication**  
CERTIFICAZIONE PARITÀ DI GENERE

**We have been providing natural gas transmission services for over 60 years**  
1800 km

**Our identity is a reflection of our values**

**Let's innovate today for an energy sustainable world tomorrow**  
sinbio

**Our innovation projects are part of a larger plan**

**About us**

**Our partnerships**



## Relations with local communities

GRI 203-1, 203-2, 411-1, 413-1, 413-2

With the aim of ensuring and maintaining open dialogue with the local communities in which it operates and with all stakeholders it interacts with, the Company is committed to identifying and monitoring the specific economic, environmental, and social impacts generated by all operations carried out at the local level, participating in the growth and enhancement of the territories in which it conducts its activities in full respect of the populations that inhabit them.

The stakeholder engagement process, both in the early planning stages and during operations, allows for the consideration of the viewpoints, expectations, and needs of the community and for timely response to potential impacts on local communities.

During 2023, SGI engaged the local community in all its activities, providing for the preliminary assessment of the generated impacts and the possibility of promoting development programs. A key element in managing impacts on local communities is indeed dialogue and stakeholders engagement in the installation and development phases of the transport network through direct communication channels with private citizens owning the lands crossed, in order to gather requests and meet individual needs through contributions, compensations, or project modifications, where possible.

To manage and mitigate the negative impacts associated with the construction activities of the network and to respect the rights on lands and resources of the communities, SGI is committed to reducing the duration of temporary occupation of territories and restoring habitats in line with those prior to interventions.

To reduce and mitigate vehicular traffic - including heavy vehicles - and the simultaneous increase in GHG emissions at the local level, SGI adopts a traffic management plan for construction areas, preferring the use of low-impact environmental vehicles.

SGI is committed to being present in the territories in which it operates, interacting and promoting initiatives with local institutions to make known and appreciated the reality of natural gas transportation and to enhance all opportunities generated by its activities, also through the funding of cultural works and the realization of exhibitions with archaeological artifacts recovered during construction activities.



## Economic value generated and distributed

GRI 201-1, 413-2

Through its activities, SGI contributes to the development of the economic fabric of the territory in which it operates. The organization's ability to create wealth and distribute it among its stakeholders is highlighted by reporting on the directly generated and distributed economic value, as detailed below.

Direct economic value generated and distributed <sup>6</sup>		
Income statement items	2022	2023
<b>Value generated</b>	<b>115,04</b>	<b>153,87</b>
Revenue from sales	109,44	145,02
Increases in fixed assets, other revenues, and financial income <sup>7</sup>	5,6	8,85
<b>Distributed value</b>	<b>86,98</b>	<b>124,54</b>
Operating expenses	47,72	80,15
Salaries and benefits of employees	5,63	6,01
Payments to financial providers	24,86	29,50
Payments to Government <sup>8</sup>	8,77	8,88
<b>Retained economic value</b>	<b>28,06</b>	<b>29,34</b>

Table 11 - Direct economic value generated and distributed (GRI 201-1)

In 2023, the SGI's production value is € 150,551,968. The results achieved by SGI confirm the solidity of SGI's growth trajectory: in 2023, the Company generated an economic value of € 153,873,419, marking a 38% increase compared to the previous fiscal year, attributable to the realization of investments made by the Company in recent years. The 80% of the generated value in 2023, it's been distributed to the Society's stakeholders, of which 64% to suppliers, 24% to financial providers, 5% to employees and 7% to Government.

The economic value distributed in the current year, in line with SGI's business strategy, amounts to €124,535,367, representing a 43% increase over the previous fiscal year.

From the analysis of the economic value generated and distributed during the year, it emerges that operating costs account for 64% of the value distributed by the Company, of which 85% is constituted by costs incurred for the execution of core business activities - transportation, dispatching, and measurement - demonstrating SGI's constant commitment to the maintenance, development, and enhancement of the transport network.

Consistently with the ten-year development plan, indeed, thanks to the costs and investments incurred, in 2023 the Company completed the construction of various works (National and Regional gas pipelines of 1st class) aimed at enhancing the transport network, actively contributing to the development of local communities and economies, including:

- National Gas Pipeline "Larino - Montagano";
  - National Gas Pipeline "Larino - Chieti";
  - Archè and SKF Refurbishment;
  - Refurbishment of the SGI industrial core Frosinone connection in the municipalities of Ceccano (FR) and Frosinone (FR);
  - Refurbishment of the thermoelectric variant in the municipality of Bussi;
  - Natural gas connection refurbishment in the municipality of San Paolo di Civitate;
  - New Thermo Fisher connection in the municipality of Ferentino (FR);
  - Refurbishment of the "Riveco Generalsider S.p.A." connection in the municipality of Larino (CB).
- Compensation and environmental rebalancing works were promoted for some of the projects listed above, as a result of the network upgrading works.

<sup>6</sup> The values reported in the chart are expressed in million/€.

<sup>7</sup> The value includes increases in fixed assets, other revenues and income, and other financial income.

<sup>8</sup> Payments to the Public Administration include current income taxes.

## Community initiatives

GRI 202-2

SGI is aware of the advantages and positive impacts generated by promoting local employment levels; however, current legislation (the Procurement Code) prevents the Company from setting local employment targets. Nevertheless, the Company is committed, where possible, to hiring local workers and contractors, monitoring the level of employment in the territories where it conducts its main activities.

Below is the breakdown of the percentage of senior managers hired from the local community.

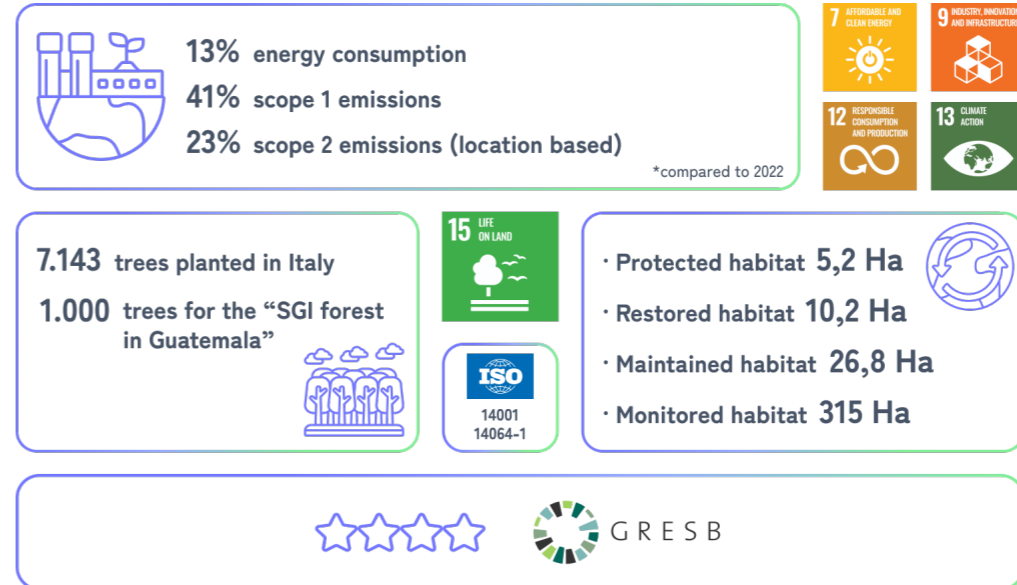
Proportion of senior management hired from the local community						
Number of people	2022			2023		
	Male	Female	Total	Male	Female	Total
Senior managers	1	0	1	4	0	4
Senior managers hired by the local community	1	0	1	3	0	3
Percentage of senior managers hired by the local community	100%	-	100%	75%	-	75%

Table 12 - Proportion of senior management hired from the local community (GRI 202-2)

SGI promotes collaboration with local organizations committed to creating shared value and social benefits for the community. Annually, employees select charitable initiatives to support by contributing to local or national associations or foundations. In 2023 SGI made two charitable donations: one to the Heal Foundation to fund research projects supporting the work of doctors and researchers fighting pediatric brain tumors and complex diseases and another to "ANMIL, Associazione Nazionale fra Lavoratori Mutilati e Invalidi del Lavoro" ( National Association of Injured and Disabled Workers).



# Environmental protection



Environmental protection is at the core of SGI's corporate culture: the adoption of responsible and sustainable practices is an ethical imperative that permeates every operational process, from small office activities to large infrastructure projects.

The company has integrated into its business strategy a set of principles that guide the organization towards continuous improvement of its environmental performance, including:

- Minimizing the environmental impact of activities by reducing energy consumption, emissions into the atmosphere, and waste production, also through improving the quality and efficiency of facilities, recycling materials in a circular economy perspective;
- Considering decarbonization and achieving Net Zero as fundamental elements for corporate growth and community respect;
- Treating the protection of biodiversity, natural habitats, and ecosystems as significant components of sustainable development in project realization;
- Promoting the conscious and responsible use of all natural resources available to the company.

# Environmental Management System ISO 14001:2015

In order to guarantee an organic and structured control of environmental risks, SGI has developed and maintains an Environmental Management System in accordance with the UNI EN ISO 14001:2015 standard. This system is voluntarily subjected to periodic inspection by independent third parties to verify its full compliance with international standards. Through the Environmental Management System, SGI conducts the assessment of environmental aspects using the procedure of identification and evaluation of “significant environmental aspects” and their related significant environmental impacts.



## Environmental analysis

The purpose of the initial environmental analysis is to identify:

- Direct and indirect aspects (environmental aspect: Element of an organization’s activity, product or service that can interact with the environment);
- Significant impacts (environmental impact: Any negative or beneficial environmental change, total or partial, resulting from an organization’s activities, products or services).
- With the initial environmental analysis, the company is able to reach an overall assessment of the environmental problems connected to its activity, controlling and managing the “significant environmental aspects”, considering them as the starting point for any action to improve its environmental performance. In order to conduct a correct initial environmental analysis, it is necessary to identify the basic environmental aspects:



Use of natural resources



Use of raw materials



Use of electricity

The following table lists the basic environmental aspects taken into account to identify SGI’s significant environmental impacts, related to the organization’s activities.

Environmental aspect	Environmental impact
Use of energy sources	Electricity consumption
Use natural resources	Diesel fuel consumption - LPG - natural gas
	Water consumption
	Other resource consumption
Use of harmful substances	Cleaning products Consumables such as svitol, sealing grease
Atmosphere emission	Flue gas boilers and heating plants
	Natural gas
	Noise
Water discharges	Waste water discharge
Waste production	Septic ditch rejection
	Waste assimilated to urban (undifferentiated) and differentiated (paper, plastic and cans)
	Organic waste (grass cutting)
Storage Hazardous or toxic-noxious liquids	LPG, diesel fuel
Vehicle handling	Employee traffic
	Induced traffic by carriers
Storage and handling of flammable material	Loading of fire archive, CED rooms, transport and treatment of flammable fluids
Landscape - Panorama	Presence of elements with visual impact for the environment (height and type of systems) noise reduction
Selection of suppliers according to environmental criteria	Eco-friendly supplier behavior

Based on the identified environmental aspects and impacts, visits to the site and interviews were conducted for each individual production area to:

- Identify the environmental legislation applicable to the activities carried out in the company to verify compliance with prescriptions and authorizations;
- Determine the degree of environmental efficiency of the activities carried out by the company;
- Identify the most significant impacts to focus improvement objectives;
- Estimate the extent of environmental aspects and impacts on the territory where the company operates;
- Examine all existing procedures and practices in the company;
- Evaluate the analysis of environmental incidents that have already occurred.



## Energy and greenhouse Gas emissions (GHG) management

GRI 302-1, 302-3

The total energy consumption recorded by SGI in 2023 amounted to 3,878 GJ, representing a decrease of 13% compared to 2022. This decrease stems from a significant reduction in methane used for heating (-32% compared to 2022) and the transition from 6 to 3 vehicles in the company fleet powered by diesel, leading to a 71% reduction in consumption compared to 2022. Conversely, there is a 19% increase in gasoline consumption for automotive use compared to the consumption recorded in 2022, attributed to the transition from 12 to 15 company vehicles powered by gasoline.

*\*Source of emission factors for data as at 2022 and 2023: Gas Natural gas for heating (GJ/SMC): NIR 2023 and 2022. Diesel fuel (GJ/t): NIR 2023 and 2022. Automotive petrol (GJ/t): FIRE 2023 and 2022. Electricity (GJ/ kWh): International system.*

Energy consumption within the organization				
Energy source*	UoM	2022	2023	Delta %
<b>Total energy consumption</b>	<b>GJ</b>	<b>4.465</b>	<b>3.878</b>	<b>-13%</b>
<b>Energy vectors for heating use</b>	<b>GJ</b>	<b>540</b>	<b>366</b>	<b>-32%</b>
Natural gas	GJ	540	366	-32%
<b>Fuel for company vehicles</b>	<b>GJ</b>	<b>1.393</b>	<b>1.192</b>	<b>-14%</b>
Diesel fuel	GJ	529	284	-46%
Petrol	GJ	729	869	19%
Methane	GJ	135	39	-71%
<b>Electricity purchased from the grid</b>	<b>GJ</b>	<b>2.532</b>	<b>2.320</b>	<b>-8%</b>
			of which purchased from renewable sources (kWh) (energy covered by guarantee certificates of origin)	
	GJ	2.532	1.426	-44%
			of which purchased from non- renewable sources (kWh)	
	GJ	-	894	-

Table 13 - Total consumption of fuels in the organization from non-renewable or renewable sources expressed in GJ (GRI 302-1)

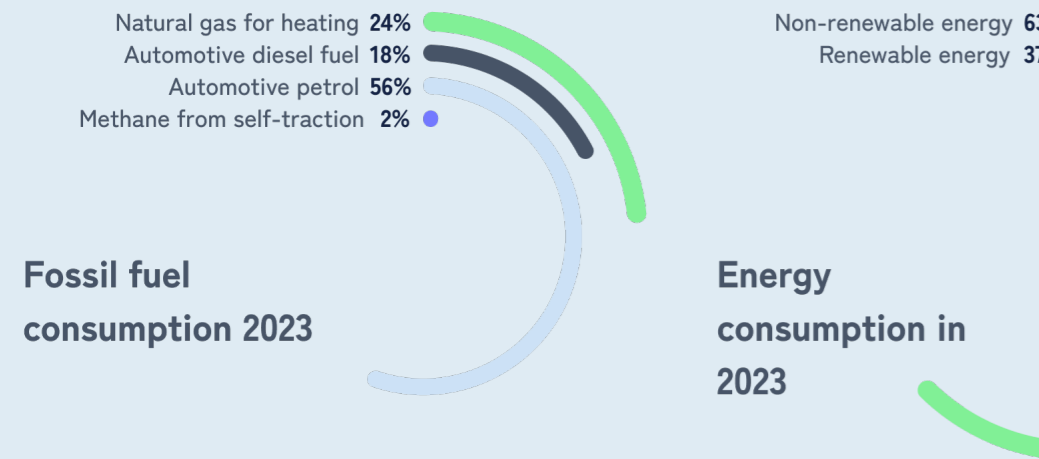
During 2023, SGI recorded a total consumption of fossil fuels (natural gas for automotive and heating, gasoline, diesel) amounting to 1,558 GJ, of which: 2% is associated with methane for automotive use, 18% with diesel for automotive use, 24% with natural gas for heating, and 56% with gasoline for automotive use.

In 2023, 37% of the consumed electricity was sourced from renewable energy, and it was procured through Guarantees of Origin.

Given the company's growth in recent years, in December 2020, SGI signed an agreement with Edison for the supply of 100% green electricity to its offices and facilities connected to the natural gas pipeline network, with Guarantee of Origin (GO), an electronic certification that confirms the renewable origin of the sources used by qualified IGO facilities.

Starting from January 1, 2021, the entire SGI network has been supplied with 100% green electricity, derived solely from renewable sources.

Since 2023, the Company has returned to purchase a part of electricity from non-renewable sources only for offices procurement, due to the temporary transfer of the offices in Frosinone, pending the completion of the renovation work of the premises in via dei Salci.



SGI has installed photovoltaic panels on various plants for their power supply, extending this approach to all plants currently in the design or construction phase.

The purpose of the installation is to obtain an autonomous source of electrical energy at the plants along the pipeline network, for powering control equipment without the need for an external grid.

ISLAND type systems (not connected to the grid) have been installed, sized to power the load, with an autonomy capacity of about 3 days to cope with any unfavorable environmental conditions. The photovoltaic panels will produce electrical energy during sunny hours, which, in addition to powering the utilities, will ensure the charging of batteries that will release the accumulated energy during non sunny hours.

In 2023, a 13% reduction in energy consumption and a 33% increase in sales revenues led to a 34% reduction in the organization's energy intensity compared to 2022.

Energy intensity				
Energy intensity	UoM	2022	2023	Delta %
Sales revenue	€	109.442.696	145.022.300	33%
Energy consumed within the organization	GJ	4.465	3.878	-13%
<b>Energy intensity <sup>1</sup></b>	<b>GJ/€</b>	<b>4,08</b>	<b>2,67</b>	<b>-34%</b>

<sup>1</sup> Energy intensity amounts have been multiplied by 100,000 to facilitate reading of the result.

Table 14 - Energy intensity (GRI 302-3)

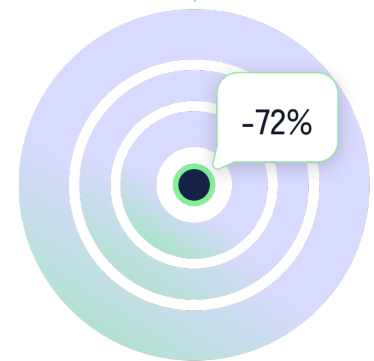
## SGI emissions

GRI 305-1, 305-2, 305-3, 305-4, 305-7

Over the years, SGI, in line with the requirements of the GHG Protocol, has consolidated the commitment to monitoring and reporting its GHG emissions with the aim of progressively reducing them over time.

SGI has been actively engaged on Climate Change for years with emission reduction and reforestation projects, as well as the preparation of a Net Zero plan. The preliminary Net Zero plan is being validated and will include targets for achieving Net Zero of scope 1 and 2 emissions in 2040, and scope 3 in 2050.

The year 2021 is the baseline certified by IMQ spa according to UNI EN ISO 14064 1. Total emission value is about 32kt CO<sub>2</sub>eq. To date, SGI's intermediate target is to reduce emissions by 40% in 2025 and 72% in 2030.

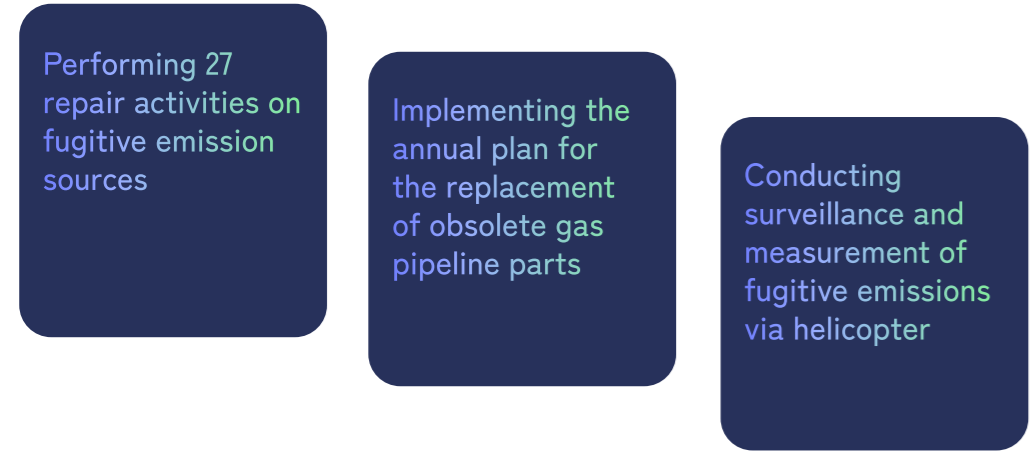


**Target 2030**  
72% Emission reduction

The three categories reported by SGI are direct GHG emissions, also known as Scope 1, indirect GHG or Scope 2 emissions, and other indirect Company or Scope 3 emissions. SGI's direct Scope 1 emissions in 2023 amounted to a total of 3,494 tons of CO<sub>2</sub> – down 41% compared to 2022 – mainly related to fugitive emissions from gas and wind transport and, in part, to a lesser extent, the use of fossil fuels for heating and traction activities.

It should be noted that, as early as 2022, a considerable activity of measurement of fugitive and

Windowed emissions has been started for the detection of possible criticalities and losses along the transport network. The Control activities led to the replacement and repair of several pipes along the network and a significant reduction in fugitive gas emissions in 2023 (- 42%). In particular, the activities carried out in 2023 to reduce fugitive emissions and contain direct Scope 1 emissions consisted in:



Natural gas emissions from heating have also been reduced by 32%, from 31 tons to 21 tons of CO<sub>2</sub>. A further reduction was recorded for the overall emissions linked to the use of automotive fuels, which increased from 100 tons to 86 tons of CO<sub>2</sub> in 2023.

Direct GHG emissions (Scope 1)*				
Energy source	UoM	2022	2023	Delta %
<b>Energy vectors for heating/production use</b>	tCO <sub>2</sub>	31	21	-32%
Natural gas	tCO <sub>2</sub>	31	21	-32%
<b>Fuel for industrial vehicles</b>	tCO <sub>2</sub>	100	86	-14%
Diesel fuel	tCO <sub>2</sub>	39	63	62%
Petrol	tCO <sub>2</sub>	53	21	61%
Methane	tCO <sub>2</sub>	8	2	-71%
<b>Fugitive gas emissions<sup>9</sup></b>	tCO <sub>2</sub> e	5.828	3.386	-42%
Methane	tCO <sub>2</sub> e	5.828	3.386	-42%
<b>Total Scope 1</b>	tCO <sub>2</sub>	5.959	3.494	-41%

\* Sources of emission factors for data 2022 and 2023: Natural gas for heating and traction, ISPRA 2022, 2023. Diesel fuel for automotive use, ISPRA 2022, 2023. Automotive gasoline, ISPRA 2022, 2023. Methane related to fugitive emissions GWP Factor Methane Fossil, IPCC AR6. Scope 1 emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub> equivalents) as inferred from the relevant technical literature.

Table 15 - Direct GHG emissions (Scope 1) (GRI 305-1)

<sup>9</sup> Within the total fugitive emissions of gas are included fugitive and venting emissions.

Regarding Scope 2 indirect emissions related to electricity consumption purchased from the grid, SGI utilizes both the "Location Based" methodology, which considers the average CO<sub>2</sub>eq. emission factor of the national electricity grid, and the "Market Based" methodology, which attributes a zero CO<sub>2</sub>eq. emission factor to energy purchases from renewable sources. Based on the first approach, a total of 169 tonnes of CO<sub>2</sub>eq. were recorded in 2023, representing a 23% reduction compared to 2022. Regarding the second approach, a total of 117 tonnes of CO<sub>2</sub>eq. were recorded in 2023.

It is noted that for 2022, Scope 2 emissions calculated with the Market Based approach are zero, as all electricity was purchased from the grid through Guarantees of Origin.

Scope 2 - Location Based				
Electricity purchased from the grid	UoM	2022	2023	Delta %
Electricity purchased from the grid*	tCO <sub>2</sub> e	217	169	-23%
<b>Total Scope 2 - Location Based</b>	tCO <sub>2</sub> e	217	169	-23%

\* Sources of emission factors for data 2022 and 2023: Electricity purchased from the grid: Monthly report Terna December 2023 + dataset Specific for production source from Ecoinvent 3.9.1 cut-off.

Table 16 - Indirect GHG emissions from energy consumption (Scope 2) Location based (GRI 305-2)

Scope 2 - Market Based				
Electricity purchased from the grid	UoM	2022	2023	Delta %
Electricity purchased from grid* (net of go)	tCO <sub>2</sub> e	0	117	-
<b>Total Scope 2 - Market Based</b>	tCO <sub>2</sub> e	0	117	-

\* Sources of emission factors for data 2022 and 2023: Electricity purchased from the grid: Ecoinvent 3.9.1, cut-off/AIB 2022.

Table 17 - Indirect GHG emissions from energy consumption (Scope 2) Market based (GRI 305-2)

Monitoring its direct and indirect emissions (Scope 1 and Scope 2 Location based) SGI also measures the carbon intensity connected to its business activities. In 2023, SGI confirmed its positive trend by noting a 55% reduction in carbon intensity, compared to 2022. This decrease is linked to an increase in revenues and a 41% decrease in Scope 1 and Scope 2 Location based emissions.

GHG Emissions intensity*				
Emissions intensity	UdM	2022	2023	Delta %
Sales revenue	€	109.442.696	145.022.300	33%
Total emissions (Scope1 + Scope2 Location based)	tCO <sub>2</sub>	6.179	3.663	-41%
<b>Emissions intensity<sup>1</sup></b>	<b>tCO<sub>2</sub>/€</b>	<b>5,65</b>	<b>2,53</b>	<b>-55%</b>

<sup>1</sup>The emissions intensity amounts have been multiplied by 100.000 to facilitate reading of the result.

Table 18 – GHG Emissions intensity (GRI 305-4)

As already mentioned at the beginning of the paragraph, SGI also monitors Scope 3 indirect GHG emissions, referring to all applicable and significant categories related to activities upstream of its value chain - Purchased goods and services (Category 1), Transportation and distribution (Category 4), Business travel (Category 6), and Employee commuting (Category 7) - and for activities downstream of the value chain - Other emissions related to construction activities.

Each Scope 3 category has been quantified in accordance with the methodologies outlined in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

In 2023, the calculation methodology was refined, leading to a detailed analysis of emissions generated throughout its value chain.

For the Purchased goods and services category, CO<sub>2</sub>eq emissions were calculated using the quantity-based methodology, which analyzed the weight value of goods purchased during the year as input data.

From the analysis of the monitoring results conducted in 2023, the "Purchased goods and services" category, which records 2,857 tonnes of CO<sub>2</sub>eq, appears to be the most impactful for SGI as the company purchased most of the pipelines needed for its projects on the network during 2023.

Another significant category for SGI is that of "Capital Goods" mainly connected to construction activities and that of "Fuel and energy for related activities (excluding those indicated in GRI 302-1)", with emissions amounting to 210 tonnes of CO<sub>2</sub>eq. Based on this data, the total Scope 3 emissions amount to 3,657 tonnes of CO<sub>2</sub>eq.

It is worth noting that in 2023, the "Business travel" category experienced a significant increase compared to 2022, mainly due to the return to in-person work and the gradual reduction of remote working.

Other indirect GHG emissions (scope 3)*				
Activity	UoM	2022	2023	Delta %
<b>Upstream</b>	<b>tCO<sub>2</sub>e</b>	<b>3.180</b>	<b>3.657</b>	<b>15%</b>
Purchased goods and services	tCO <sub>2</sub> e	1.064	2.857	169%
Capital goods	tCO <sub>2</sub> e	1.802	380	-79%
Fuel and energy for related activities (excluding those indicated in GRI 302-1)	tCO <sub>2</sub> e	182	210	15%
Transport and distribution	tCO <sub>2</sub> e	50	76	52%
Business travel	tCO <sub>2</sub> e	1	6	500%
Employee commuting	tCO <sub>2</sub> e	81	128	58%
<b>Total Scope 3</b>	<b>tCO<sub>2</sub>e</b>	<b>3.180</b>	<b>3.657</b>	<b>15%</b>

\* Sources of emission factors for data 2022 and 2023:

Purchased goods and services (steel piping): EPD Corinth rev 15 09 2023\_PE + Powder Coated HSAW Steel Pipes GWP Total (A1+A2+A3).

Capital goods (products used on construction sites, concrete laid, production of steel rods, petrol combustion, diesel combustion, waste transport, Electricity (MB)): Ecoinvent 3.9.1, cut-off, ISPRA 2022, 2023, Ecoinvent 3.9.1 cutoff/AIB 2022.

Fuel and energy for related activities (excluding those indicated in GRI 302-1):

- WTT-EE Location based: Monthly Report Terna December 2023+specific datasets By production source from Ecoinvent 3.9.1 cut-off.
- WTT-EE gasket based: AIB 2022 + specific data sets for production source from Ecoinvent 3.9.1 cut-off.
- Extraction and processing (WTT) fuels (production of petrol and diesel for Company vehicles, methane gas production): Ecoinvent 3.9.1, cut-off.
- Diesel for recompression interventions and network monitoring via helicopter: ISPRA 2022, 2023.

Transport and distribution (by sea and land): Ecoinvent 3.9.1, cut-off.

Business trips (travel by train (AV and regional), by air, overnight stays): Ecoinvent 3.9.1, cut-off.

Moving employees' home-work (diesel cars, petrol, petrol/LPG, petrol/methane), Smartworking (electric smartworking, natural gas for heating): Ecoinvent 3.9.1, cut-off, DEFRA 2022 Homeworking – Homeworking (heating).

Table 19 - Other indirect greenhouse gas (GHG) emissions (scope 3) (GRI 305-3)

Other significant air emissions <sup>10</sup>				
Emissions	UoM	2022	2023	Delta %
Specific emissions of CH <sub>4</sub>	tCH <sub>4</sub>	196	96	-51%
N <sub>2</sub> O emissions	tN <sub>2</sub> O	0,03	0,01	-67%

Table 20 – Other significant air emissions (GR 305-7)

<sup>10</sup> Expressed values refer to CH<sub>4</sub> and N<sub>2</sub>O emissions associated to fixed sources, mobile sources, and gas transportation, also counted within Scope 1.

# Climate adaptation and resilience




GRI 201-2  
 SGI recognizes the evolving climate conditions and the increasing likelihood of extreme weather events. In this regard, assessing the potential impact on its business becomes crucial to prevent and mitigate the potential damages caused by such phenomena and identify the necessary measures to increase the resilience of the transportation network.



- To this end, SGI has initiated a series of actions aimed at:
- Implementing processes, strategies, and corporate investments aimed at reducing the impact of its activities on the environment and combating climate change;
  - Monitoring environmental risk factors to minimize the impact of its activities on the environment;
  - Investing in technological innovation to adopt technologies that reduce energy consumption and CO2 emissions, thus contributing to climate change mitigation;
  - Raising employee awareness about responsible resource use and proper waste disposal;
  - Reducing work-related travel, preferring remote work modalities;
  - Using a monitoring system to map the environmental impact generated by its operations.

The company acknowledges the importance of employing preventive measures and timely responses to ensure the continuity of the services offered by identifying all possible present and future threats of environmental disasters. To this end, SGI has initiated the design of business resilience plans specifically addressing the risk of natural disasters and helping to identify mitigation methods.

The main risks arising from climate change that could cause substantial changes in business operations identified by SGI are:

-  **Earthquakes**
-  **Landslides**
-  **Floods**

- The mitigation actions implemented by SGI are considered genuine opportunities to enhance the organization's resilience to identified risks, and they include:
- Protection of built environment against existing and future threats of natural disasters;
  - Construction of structures such as palisades in case of landslide phenomena;
  - Use of gabions to protect riverbanks from erosion;
  - Construction of piling for slope and hillside containment;
  - Installation of photovoltaic panels and backup batteries in facilities to prevent issues related to power interruption.

Another risk identified by SGI is the discharge of water into water bodies during the testing phase of its operations. In a prevention and monitoring approach, the Company, in close collaboration with local authorities responsible for oversight, supervises all operations related to discharge: from the authorization process, to sampling, to verification of parameters required by company specifications and reference regulations, up to discharge. The Company has initiated a series of mitigation measures to ensure that wastewater/discharge is of good quality once it reaches water bodies, and continues to monitor discharges after release into watercourses.

# Biodiversity protection

GRI 304-1, 304-2, 304-3, 304-4  
 Italy is particularly rich in biodiversity and the conservation of this natural heritage is a priority for SGI, which involves the full implementation of the Habitats and Birds Directives, the management of the Natura 2000 network and the conservation of habitats and species of Community interest. These results derive from the comparison and collaboration with the autonomous regions and provinces, and with all the actors of society involved and called to carry out daily work of activating measures for the conservation and protection of the country's natural heritage. SGI confirmed in







2023 its commitment to monitoring habitats and biodiversity, which began in 2019, to safeguard the environmental components of the areas affected by the work. To develop new infrastructures, SGI adopts procedures that respond to stringent environmental and safety assessments. As regards the development of the pipeline network, which is the most frequent and significant case, the route is chosen from several available alternatives at the design stage, trying to avoid or minimize the impact connected with the passage of the network in areas that are anthropized or in which the construction of residential settlements is envisaged, in areas of considerable natural interest (e.g. ZPS, NATURA 2000, etc.) or cultural, archaeological areas and geologically unstable areas. The implementation of the infrastructures is carried out through the procedure of Environmental



impact Assessment (EIA), at the end of which the competent authorities issue the authorizations provided for by the legislation in force. Once the authorizations have been obtained, in order to restore the ecological value of the affected areas, SGI designs and carries out measures of environmental protection, with specific actions of restoration of naturality. Since the planning phase SGI has carried out field studies, to know the territory crossed, analyzing the faunistic, botanical and pedological parameters, so as not to affect the vegetation, the waters and the ecosystems present.

These operations are carried out by highly specialized personnel (in particular engineers, surveyors, geologists, agronomists, foresters, naturalists) who travel through the territory studying the best route. The results of these surveys are functional to the most appropriate design choices in order to minimize the impacts on biodiversity, generated in particular during the realization phase and to which follow the environmental restoration and monitoring thereof, carried out in agreement and in collaboration with the competent bodies.

SGI is committed to monitoring activities that are carried out both in protected areas and in areas of high biodiversity value: In this way it is able to reduce the risk of occurrence of negative impacts on all the habitats in which it operates. Precisely in this perspective of mitigation of the negative environmental impact related to the loss of biodiversity, the following are listed the main initiatives aimed at protecting, restoring or maintaining the habitats compromised by the Company's activities:

 <b>Protected Habitat</b>	Safeguarding of approximately 5.2 hectares of <b>protected habitats</b> through the adoption of <b>trenchless</b> crossing techniques.
 <b>Restored Habitat</b>	In 2023, 10 hectares of <b>habitat were restored</b> near the areas affected by the Larino-Montagno gas pipeline refurbishment works through the replanting of approximately 98% of the olive trees along the route. As of today, it is possible to report a replanting success rate of 100%.
 <b>Maintained Habitat</b>	As of 2023, the <b>maintained habitats</b> amount to a total of <b>26.85 hectares</b> .
	In 2023, the tree planting initiated by SGI in 2022 within the areas involved in the construction project of the new Larino-Chieti gas pipeline, continued. 7,143 trees were planted with an absorption capacity of 1,036 tCO2/year (value reported for the first 10 years of the tree's life). These trees cover approximately 14.33 hectares.
 <b>Monitored Habitat</b>	In 2023, SGI continued the <b>post-operation monitoring</b> of the San Marco-Recanati DN 600 (24") DP 75 bar gas pipeline, entrusting it to an external company specializing in soil and subsurface components.
	<ul style="list-style-type: none"> <li>• The <b>in-operation monitoring</b> of the Larino-Chieti gas pipeline was entrusted to the companies responsible for the pipeline's construction, with the support of 'Work Supervision and Companies' and specialized technicians. The monitoring activity included::</li> <li>• Noise Monitoring: Report on the Predictive Noise Assessment of the Larino-Chieti Gas Pipeline</li> <li>• Water Testing Monitoring: Report on Water Testing Analysis</li> <li>• Groundwater Monitoring: Report on Groundwater Monitoring</li> <li>• Pipeline Reburial Monitoring: Quality control reports for the pipeline reburial phase</li> </ul>
	In 2022 and 2023, among the post-operation and in-operation monitoring, a total of <b>315 hectares</b> of habitat were monitored.

For further details, please refer to Table 38 in the Annex.

In 2023, the Company identified the total number of species listed on the IUNC Red List and National Conservation Lists that find their habitat in the organization's areas of activity, broken down by extinction risk level and shown in the table below.

Species listed in the IUCN Red List and National Preservation Lists	
Level of risk of extinction	2023
	Number of species
In critical danger	1
In danger	5
Vulnerable	36
Almost threatened	6
Less worry	31

It is noted that in 2022 and 2023, from monitoring activities on incidents regarding biodiversity and habitats caused by the Company's activities, both maintenance and construction of new gas pipelines, no incidents were recorded.

Tipology	Number
Environmental accidents	0
Flora accidents	0
Wildlife accidents	0
Habitat removed	0
Protected habitat	5,25 Ha
Restored habitat	10 Ha
Monitored habitat	315 Ha
Habitat maintained	26,85 Ha

Table 21 - The total number of species on the IUNC National Preservation List and Red List with habitats in areas affected by the organization's operations, by level of extinction risk (GRI 304-4)

## Water consumption for network testing

Water consumption recorded in 2023 is primarily associated with activities carried out by Contracting Companies responsible for testing the transport network, not directly attributable to SGI. In 2023, for the MTD "Larino - Montagano, lot 1", approximately 5 km of piping with a nominal diameter DN 350 (14") were tested. For water supply, a series of withdrawal points were identified from the Bonifica Basso Molise consortium. After obtaining the necessary permits for water use, it underwent chemical analysis to confirm the characteristics and requirements specified in the reference Technical Specification and contractual and project documents.

Following the hydraulic testing of the pipeline, the Contractor conducted (through an accredited laboratory) chemical analysis of the test water, ensuring its compliance with parameters defined in Legislative Decree 152/06 and subsequent amendments. Only after obtaining compliant analysis results and authorization, discharge into the Basso Molise consortium tanks was possible.

This solution helped **avoid the consumption of 470 cubic meters of water**. In 2023, other gas pipelines were also tested. The contractor involved procured approximately 330 cubic meters of irrigation water from Reclamation Consortia located in the territory traversed. Following hydraulic testing of the pipeline, the contractor conducted (through an accredited laboratory) chemical analysis of the test water, ensuring its compliance with parameters defined in Legislative Decree 152/06 and subsequent amendments. Only after obtaining compliant analysis results and authorization was discharge into nearby surface bodies possible, for a total of 900 cubic meters of water supplied and returned.



## Annexes

Members of the Board of Directors to whom anti-corruption policies and procedures have been communicated		
Number of people	2022	2023
Members of the Board of Directors who have received communication	7	7
<b>Total Board Members</b>	<b>7</b>	<b>7</b>
<b>% of communication</b>	<b>100%</b>	<b>100%</b>

Table 22 - Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to (GRI 205-2)

Employees to whom anti-corruption policies and procedures have been communicated		
Number of people	Total	
	2022	2023
Executives who have received communication	3	4
<b>Total Executives</b>	<b>3</b>	<b>4</b>
<b>% of communication</b>	<b>100%</b>	<b>100%</b>
Managers who have received communication	7	10
<b>Total Managers</b>	<b>7</b>	<b>10</b>
<b>% of communication</b>	<b>100%</b>	<b>100%</b>
Employees who have received communication	28	39
<b>Total Employees</b>	<b>28</b>	<b>39</b>
<b>% of communication</b>	<b>100%</b>	<b>100%</b>
Workers who have received communication	10	11
<b>Total Workers</b>	<b>10</b>	<b>11</b>
<b>% of communication</b>	<b>100%</b>	<b>100%</b>

Table 23 - Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category (GRI 205-2)

Members of the Board of Directors who have received anti-corruption training		
Number of people	2022	2023
Members of the Board of Directors who have received training	7	7
<b>Total Board Members</b>	<b>7</b>	<b>7</b>
<b>% participation</b>	<b>100%</b>	<b>100%</b>

Table 24 - Total number and percentage of governance body members that have received training on anti-corruption (GRI 205-2)

Employees who have received anti-corruption training		
Number of people	Total	
	2022	2023
Executives who have received training	3	4
<b>Total Executives</b>	<b>3</b>	<b>4</b>
<b>% participation</b>	<b>100%</b>	<b>100%</b>
Managers who have received training	7	10
<b>Total Managers</b>	<b>7</b>	<b>10</b>
<b>% participation</b>	<b>100%</b>	<b>100%</b>
Employees who have received training	28	39
<b>Total Employees</b>	<b>28</b>	<b>39</b>
<b>% participation</b>	<b>100%</b>	<b>100%</b>
Workers who have received training	10	11
<b>Total Workers</b>	<b>10</b>	<b>11</b>
<b>% participation</b>	<b>100%</b>	<b>100%</b>

Table 25 - Total number and percentage of employees that have received training on anticorruption, broken down by employee category (GRI 205-2)

Business partners to whom anti-corruption policies and procedures have been communicated			
Type of business partner	NO. of business partners	Total	
		2022	2023
Suppliers	Business partners who have received communication	26	32
	<b>Total Sales Partners</b>	<b>26</b>	<b>32</b>
	<b>% of communication</b>	<b>100%</b>	<b>100%</b>
Professionals/ collaborators	Business partners who have received communication	14	18
	<b>Total Sales Partners</b>	<b>14</b>	<b>18</b>
	<b>% of communication</b>	<b>100%</b>	<b>100%</b>

Table 26 - Total number and percentage of business partners that the organization's anticorruption policies and procedures have been communicated to (GRI 205-2)

Employees by category and age groups								
Percentage	2022				2023			
	<30	30-50	>50	Totale	<30	30-50	>50	Totale
<b>Executive</b>	0%	0%	2%	<b>2%</b>	0%	2%	5%	<b>6%</b>
<b>Managers</b>	0%	13%	6%	<b>19%</b>	0%	9%	5%	<b>14%</b>
<b>Employees</b>	0%	42%	17%	<b>58%</b>	9%	38%	13%	<b>59%</b>
<b>Workers</b>	0%	19%	2%	<b>21%</b>	2%	17%	2%	<b>20%</b>
<b>Total</b>	<b>0%</b>	<b>73%</b>	<b>27%</b>	<b>100%</b>	<b>11%</b>	<b>66%</b>	<b>23%</b>	<b>100%</b>

Table 27 - Percentage of employees, broken down by employee category and age groups (GRI 405-1)

Composition of the Board of Directors								
Percentage	2022				2023			
	<30	30-50	>50	Totale	<30	30-50	>50	Totale
Male	0%	14%	57%	<b>71%</b>	0%	14%	43%	<b>57%</b>
Female	0%	14%	14%	<b>29%</b>	0%	29%	14%	<b>43%</b>
<b>Total</b>	<b>0%</b>	<b>29%</b>	<b>71%</b>	<b>100%</b>	<b>0%</b>	<b>43%</b>	<b>57%</b>	<b>100%</b>

Table 28 - Percentage of individuals within the organization's governance bodies, broken down by gender and age group (GRI 405-1)

Percentage of new employee hires								
Percentage	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Male	-	15%	0%	<b>11%</b>	100%	32%	15%	<b>35%</b>
Female	-	33%	0%	<b>27%</b>	100%	27%	50%	<b>40%</b>
<b>Total</b>	<b>-</b>	<b>20%</b>	<b>0%</b>	<b>15%</b>	<b>100%</b>	<b>31%</b>	<b>20%</b>	<b>36%</b>

Table 29 - Percentage of new employees hires during the reporting period, broken down by gender and age group (GRI 401-1)

Turnover								
Percentage	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Male	-	19%	36%	24%	0%	16%	0%	10%
Female	-	22%	0%	18%	0%	2%	50%	13%
<b>Total</b>	-	20%	31%	23%	0%	14%	7%	11%

Table 30 - Percentage of employee turnover during the reporting period, broken down by gender and age group (GRI 401-1)

Reasons of turnover						
Number of turnovers	2022			2023		
	Male	Female	Total	Male	Female	Total
Voluntary resignation	6	2	8	5	1	6
Contract term	0	0	0	0	1	1
Retirement	1	0	1	0	0	0
Other	2	0	2	0	0	0
<b>Total</b>	9	2	11	5	2	7

Table 31 - Reasons of turnover

Employees who receive a regular performance and career review								
Number of people	2023							
	Male	Total male	%	Female	Total female	%	Total	%
Executives	4	4	100%	0	0	-	4	100%
Managers	6	6	100%	3	3	100%	9	100%
Employees	26	26	100%	12	12	100%	38	100%
Workers	13	13	100%	0	0	-	13	100%
<b>Total</b>	49	49	100%	15	15	100%	64	100%

Table 32 - Percentage of total employees by gender and by employee category who received a regular performance and career development review (404-3)

Employees who receive a regular performance and career review								
Number of people	2022							
	Male	Total male	%	Female	Total female	%	Total	%
Executives	1	1	100%	0	0	-	1	100%
Managers	6	6	100%	0	0	-	6	100%
Employees	20	20	100%	11	11	100%	31	100%
Workers	10	10	100%	0	0	-	10	100%
<b>Total</b>	37	37	100%	11	11	100%	48	100%

Table 33 - Percentage of total employees by gender and by employee category who received a regular performance and career development review (GRI 404-3)

Training hours by employee category and gender						
Training hours	2022					
	NO. Hours male	NO. hours pro-capita male	NO. Hours female	NO. hours pro-capita female	NO. Hours Totals	NO. hours pro-capita
Executives	108	36	0	-	108	36
Managers	634	127	0	-	634	127
Employees	890	47	596	54	1.486	50
Workers	1.068	107	0	-	1.068	107
<b>Total</b>	<b>2.700</b>	<b>73</b>	<b>596</b>	<b>54</b>	<b>3.296</b>	<b>69</b>

Table 34 - Average hours of training per year per employee, broken down by gender and employee category (GRI 404-1)

Work-related injuries		
Number of injuries	2022	2023
Total number of fatalities due to work-related injuries	0	0
Total number of high-consequence work-related injuries (excluding fatalities)	0	0
Total number of recordable work-related injuries	0	0
Fatalities rate due to work-related injuries*	0	0
Rate of high-consequence work-related injuries* (excluding fatalities)	0	0
Rate of recordable work-related injuries*	0	0
Worked hours	90.832,00	99.816,00

\*Rates were calculated based on a multiplication factor of 200.000.

Table 35 - Work-related injuries - Employees (GRI 403-9)

Work-related injuries - External workers		
Number of incidents	2022	2023
Total number of fatalities due to work-related injuries	0	0
Total number of high-consequence work-related injuries (excluding fatalities)	0	0
Total number of recordable work-related injuries	0	0
Fatalities rate due to work-related injuries*	0	0
Rate of high-consequence work-related injuries* (excluding fatalities)	0	0
Rate of recordable work-related injuries*	0	0
Worked hours	52.748	37.122

\*Rates were calculated based on a multiplication factor of 200.000.

Table 36 - Work-related injuries - External workers (GRI 403-9)

Total energy consumption within the organization				
Energy	UoM	2022	2023	Delta %
<b>Total energy consumption</b>	<b>GJ</b>	<b>4.465</b>	<b>4.159</b>	<b>-7%</b>
Non-renewable energy	GJ	1.933	2.734	41%
Renewable energy	GJ	2.532	1.426	-44%
<b>% Renewable energy on total energy consumption</b>	<b>%</b>	<b>57%</b>	<b>34%</b>	<b>-40%</b>

Table 37 - Total energy consumption within the organization in GJ, broken down by energy source (GRI 302-1)

Operational sites owned, leased, managed, or adjacent to protected areas and areas of high biodiversity value outside protected areas							
2023							
Site	Geographical Area	Subsoil and underground lands owned, leased, or managed by the organization	Type of activity (e.g., office, manufacturing or production, extraction...)	Site location in relation to the protected area or high biodiversity value area	Dimensions (e.g., hectares, km2)	Biodiversity value characterized by the features of the protected area or the high biodiversity value area outside the protected area (terrestrial, freshwater, or marine ecosystem)	Biodiversity value characterized by the list of protection regimes (such as IUCN protected area management categories, Ramsar Convention, National legislation).
REFURBISHMENT OF REGIONAL GAS PIPELINE LARINO - SORA - COLLEFFERRO TRATTO LARINO - MONTAGANO - LOTTO 2 DN 350 (14") DP 75 bar - REGION MOLISE	<b>Towns:</b> Guardialfiera, Lupara, Casacalenda e Morrone del Sannio <b>Province:</b> Campobasso <b>Region:</b> Molise	Clays of various colors, limestones and marls (basin slope), sandstones and conglomerates, sands.	Services - Natural gas transportation	Within the area, in an adjacent position	13200 mq	Terrestrial and freshwater ecosystems, sensitive areas for biodiversity with a medium coverage of natural environments. High presence of areas designated for agriculture	The presence of IUCN species belonging to the vulnerable and endangered categories, as well as of least concern. ZPS IT7228230 (Guardialfiera Lake - Biferno River Estuary)
REFURBISHMENT OF REGIONAL GAS PIPELINE LARINO - SORA - COLLEFFERRO TRATTO LARINO - MONTAGANO - LOTTO 2 DN 350 (14") DP 75 bar - REGION MOLISE	<b>Towns:</b> Guardialfiera, Lupara, Casacalenda e Morrone del Sannio <b>Province:</b> Campobasso <b>Region:</b> Molise	Clays of various colors, limestones and marls (basin slope), sandstones and conglomerates, sands.	Services - Natural gas transportation	Within the area, in an adjacent position	5700 mq	Terrestrial and freshwater ecosystems, sensitive areas for biodiversity with a medium coverage of natural environments. High presence of areas designated for agriculture.	The presence of IUCN species belonging to the vulnerable and endangered categories, as well as of least concern. SAC IT7222249 (Guardialfiera Lake - M. Peloso)

Table 38 - Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas (GRI 304-1)

Operational sites owned, leased, managed, or adjacent to protected areas and areas of high biodiversity value outside protected areas							
2023							
Site	Geographical Area	Subsoil and underground lands owned, leased, or managed by the organization	Type of activity (e.g., office, manufacturing or production, extraction...)	Site location in relation to the protected area or high biodiversity value area	Dimensions (e.g., hectares, km2)	Biodiversity value characterized by the features of the protected area or the high biodiversity value area outside the protected area (terrestrial, freshwater, or marine ecosystem)	Biodiversity value characterized by the list of protection regimes (such as IUCN protected area management categories, Ramsar Convention, National legislation).
REFURBISHMENT OF REGIONAL GAS PIPELINE LARINO - SORA - COLLEFERRO TRATTO LARINO - MONTAGANO - LOTTO 2 DN 350 (14") DP 75 bar - REGION MOLISE	<b>Towns:</b> Petrella Tifernina e Matrice <b>Province:</b> Campobasso <b>Region:</b> Molise	Clays of various colors, limestones, and marls (basin escarpment)	Services - Natural gas transportation	Within the area, in an adjacent position	2600 mq	Terrestrial and freshwater ecosystems, sensitive areas for biodiversity with a medium coverage of natural environments. High presence of areas designated for agriculture	The presence of IUCN species belonging to the vulnerable and endangered categories, as well as of least concern. SAC IT7222264 (Castellino and Morrone Woods)
REFURBISHMENT OF REGIONAL GAS PIPELINE LARINO - SORA - COLLEFERRO TRATTO LARINO - MONTAGANO - LOTTO 2 DN 350 (14") DP 75 bar - REGION MOLISE	<b>Towns:</b> Guardialfiera, Lupara, Casacalenda e Morrone del Sannio <b>Province:</b> Campobasso <b>Region:</b> Molise	Clays of various colors, limestones, and marls (basin escarpment)	Services - Natural gas transportation	Within the area, in an adjacent position	16000 mq	Area characterized by a hilly landscape covered with forests, Mediterranean scrub, and crops	The presence of IUCN species belonging to the vulnerable and endangered categories, as well as of least concern. IBA 125 Biferno River

Operational sites owned, leased, managed, or adjacent to protected areas and areas of high biodiversity value outside protected areas							
2023							
Site	Geographical Area	Subsoil and underground lands owned, leased, or managed by the organization	Type of activity (e.g., office, manufacturing or production, extraction...)	Site location in relation to the protected area or high biodiversity value area	Dimensions (e.g., hectares, km2)	Biodiversity value characterized by the features of the protected area or the high biodiversity value area outside the protected area (terrestrial, freshwater, or marine ecosystem)	Biodiversity value characterized by the list of protection regimes (such as IUCN protected area management categories, Ramsar Convention, National legislation).
REFURBISHMENT OF REGIONAL GAS PIPELINE LARINO - SORA - COLLEFERRO Tratto Larino - Montagano DN 350 (14") - DP 60 bar tratto da nodo 580 a nodo 595 - REGION MOLISE	<b>Towns:</b> Guardialfiera, Larino, Palata <b>Province:</b> Campobasso <b>Region:</b> Molise	Alluvial soils, bluish-green clays, light yellowish clayey sands, flysch complex, and compact marls and marly clays	Services - Natural gas transportation	Within the area, in an adjacent position	19000 mq	The site constitutes an area of particular importance due to the presence of various habitats and the only floristic species of directive present in the Molise region: Stipa austroitalica. The habitat 92A0 is found in only four residual bodies forming small, therefore, they must be safeguarded from any management that does not adhere to strictly naturalistic criteria. The lake serves as a settling basin for the waters, consequently improving water quality downstream. The site is important for the ecology of numerous bird species and for the Eurasian otter (Lutra lutra), which seems to frequent the lake waters.	ZPS - IT7228230 ZSC - IT7228229 ZSC- IT722249 IBA125 Biferno river



## Riconciliation table between material topics of SGI and GRI 11 Oil&Gas

Riconciliation table		
SGI material topics	Material topics GRI 11	
Greenhouse gas emissions (GHG)	11.1	GHG Emissions
	11.3	Air emissions
Climate adaptation, resilience, and transition	11.2	Climate adaptation, resilience, and transition
Biodiversity protection	11.4	Biodiversity
Employee Engagement	11.7	Closure and rehabilitation
	11.10	Employment practices
Occupational health, safety and well-being	11.9	Occupational health and safety
Talent development and enhancement	11.10	Employment practices
	11.11	Non-discrimination and equal opportunities
Non-discrimination and equal opportunities	11.11	Non-discrimination and equal opportunities
Value chain management	11.12	Forced labor and modern slavery
	11.13	Freedom of association and collective bargaining
	11.14	Economic impacts
	11.17	Rights of indigenous peoples
Relations with local communities	11.15	Local communities

Riconciliation table			
SGI material topics	Material topics GRI 11		
Land and natural resources rights	11.16	Land and resource rights	
Asset integrity and critical incident management	11.18	Asset integrity and critical incident management	
Business ethics and integrity	11.19	Anti-competitive behavior	
	11.20	Anti-corruption	
Technological innovation	-	-	
Topics not relevant to SGI's business	11.5	Waste	
	11.6	Water and effluents	
	11.18	Conflicts and security	
	11.21	Payments to governments	
	11.22	Public policy	

## GRI Content Index

Statement of use	SGI has reported the information presented in the GRI Indicators Table below, for the reporting period from January 1, 2023, to December 31, 2023, following the GRI Standards ("In Accordance" approach).
GRI 1 used	GRI 1: Foundation 2021
Sector Standard	GRI 11: Oil&Gas

Standard GRI/ Material appearance	Disclosure	Location	Omissions
<b>GRI 2: General information (2021)</b>			
<b>The organization and its reporting practices</b>			
2-1	Organizational details	SGI - who we are	
2-2	Entities included in the organization's sustainability reporting	Methodological note	
2-3	Reporting period, frequency and contact point	Methodological note	
2-4	Restatement of information	Methodological note	
2-5	External Assurance	This Report is not subject to external assurance	
<b>Activities and workers</b>			
2-6	Activities, value chain, and other business relationships	SGI - who we are	
2-7	Employees	SGI and its people	
2-8	Workers who are not employees	SGI and its people	

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>Governance</b>					
2-9	Governance structure and composition	Responsible governance			
2-10	Nomination and selection of the highest governing body	Responsible governance			
2-11	Chair of the highest governing body	Responsible governance			
2-12	Role of the highest governing body in overseeing the management of impacts	Responsible governance			
2-13	Delegation of responsibility for managing impacts	Responsible governance			
2-14	Role of the highest governance body in sustainability reporting	Responsible governance			
2-15	Conflicts of interest	Business ethics and integrity			
2-16	Communication of critical concerns	The Whistleblowing protocol			
2-17	Collective knowledge of the highest governance body	Responsible governance			
2-18	Evaluation of the performance of the highest governing body	Responsible governance			
2-19	Remuneration policies	Employee evaluation and remuneration			
2-20	Process to determine remuneration	Employee evaluation and remuneration			
2-21	Annual total compensation ratio	Employee evaluation and remuneration	2-21b	Not available information	For the 2023, it was not possible to calculate the annual percentage ratio due to 2022 data unavailability.

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>Strategy, policies and practices</b>					
2-22	Statement on sustainable development strategy	Letter to stakeholders			
2-23	Policy commitment	SGI's Sustainability Policies			
2-24	Embedding policy commitments	SGI's Sustainability Policies			
2-25	Processes to remediate negative impacts	Sustainable development and business strategy			
2-26	Mechanisms for seeking advice and raising concerns	The Whistleblowing protocol			
2-27	Compliance with laws and regulations	SGI's organizational management model 231/01			
2-28	Membership associations	SGI's main innovation partnerships			
<b>Stakeholder engagement</b>					
2-29	Approach stakeholders engagement	Stakeholders engagement			
2-30	Collective bargaining agreements	SGI and its people			
<b>GRI 3: Management of material topics (2021)</b>					
3-1	Process to determine material topics	SGI's Materiality analysis			
3-2	List of material topics	SGI's Materiality analysis			
<b>Asset integrity and critical incident management</b>					
3-3 (11.3.1, 11.8.1, 11.14.1)	Management of material topics	SGI's Materiality analysis			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>GRI 203: Indirect Economic Impacts (2016)</b>					
203-1 (11.14.4)	Infrastructure investments and services supported	Relations with local communities			
203-2 (11.14.5)	Significant indirect economic impacts	Relations with local communities			
<b>GRI 306: Effluents and Waste (2016)</b>					
306-3 (11.8.2)	Significant spills		Not relevant		Information deemed not relevant 2023 as it is not directly related to SGI's core business
<b>GRI 416: Customer Health and Safety (2016)</b>					
416-1 (11.3.3)	Assessment of health and safety impacts of product and service categories	SGI's commitment to the critical incident management			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SGI's commitment to the critical incident management			
<b>GRI 418: Customer Privacy (2016)</b>					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security			
<b>Business ethics and integrity</b>					
3-3 (11.19.1; 11.20.1; 11.22.1)	Management of material topics	SGI's Materiality analysis			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>GRI 205: Anticorruption (2016)</b>					
205-1 (11.20.2)	Operations assessed for risks related to corruption	Business ethics and integrity			
205-2 (11.20.3)	Communication and training on anti- corruption policies and procedures	Business ethics and integrity			
205-3 (11.20.4)	Confirmed incidents of corruption and actions taken	Business ethics and integrity			
<b>GRI 206: Anti-competitive Behavior (2016)</b>					
206-1 (11.19.2)	Legal actions related to anti-competitive behavior, anti-trust and monopoly practices	Business ethics and integrity			
<b>Climate adaptation, resilience and transition</b>					
3-3 (11.1.1, 11.2.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 201: Economic Performance (2016)</b>					
201-2 (11.2.2)	Financial implications and other risks and opportunities due to climate change	Climate adaptation and resilience			
<b>GRI 302: Energy (2016)</b>					
302-1 (11.1.2)	Energy consumption within the organization	Energy and greenhouse Gas emissions (GHG) management			
302-2 (11.1.3)	Energy consumption outside of the organization		Not available		Information not available. The reporting will be evaluated when identifying the methodology applicable for data collection.
302-3 (11.1.4)	Energy intensity	Energy and greenhouse Gas emissions (GHG) management			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>Biodiversity protection</b>					
3-3 (11.4.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 304: Biodiversity (2016)</b>					
304-1 (11.4.2)	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity protection			
304-2 (11.4.3)	Significant impacts of activities, products and services on biodiversity	Biodiversity protection			
304-3 (11.4.4)	Habitats protected or restored	Biodiversity protection			
304-4 (11.4.5)	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity protection			
<b>Greenhouse gas emissions (GHG)</b>					
3-3 (11.1.1, 11.2.1, 11.3.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 305: Emissions (2016)</b>					
305-1 (11.1.5)	Direct (scope 1) GHG emissions	SGI emissions			
305-2 (11.1.6)	Energy indirect (scope 2) GHG emissions	SGI emissions			
305-3 (11.1.7)	Other indirect (scope 3) GHG emissions	SGI emissions			
305-4 (11.1.8)	GHG emissions intensity	SGI emissions			
305-5 (11.2.3)	Reduction of GHG emissions		Not available		Information not available.
305-7 (11.3.2)	Ossidi di azoto (NOx), ossidi di zolfo (SOx) e altre emissioni nell'aria rilevanti	SGI emissions			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>Employees engagement</b>					
3-3 (11.7.1; 11.10.1, 11.11.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 401: Employment (2018)</b>					
401-1 (11.10.1)	New employees hires and employee turnover	Engagement dei dipendenti			
401-2 (11.10.3)	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Welfare aziendale			
401-3 (11.10.4; 11.11.3)	Parental leave	SGI's initiatives to promote Diversity & inclusion			
<b>GRI 402: Labor/Management Relations (2016)</b>					
402-1 (11.7.2; 11.10.5)	Minimum notice periods regarding operational changes	Employee engagement			
<b>Occupational health, safety and well-being</b>					
3-3 (11.9.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 403: Occupational Health and Safety (2018)</b>					
403-1 (11.9.2)	Occupational health and safety management system	Employees health and safety management			
403-2 (11.9.3)	Hazard identification, risk assessment and incident investigations	Employees health and safety management			
403-3 (11.9.4)	Occupational health services	Employees health and safety management			
403-4 (11.9.5)	Worker participation, consultation, and communication on occupational health and safety	Employees health and safety management			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
403-5 (11.9.6)	Worker training on occupational health and safety	Employees health and safety management			
403-6 (11.9.7)	Promotion of workers health	Employees health and safety management			
403-7 (11.9.8)	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employees health and safety management			
403-8 (11.9.9)	Workers covered by an occupational health and safety management system	Employees health and safety management			
403-9 (11.9.10)	Work-related injuries	Work-related injuries			
403-10 (11.9.11)	Work-related ill health	Work-related injuries			
<b>Talent development and enhancement</b>					
3-3 (11.7.1, 11.10.1, 11.11.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 404: Training and Education (2016)</b>					
404-1 (11.10.6; 11.11.4)	Average hours of training per year per employee	Upskilling and reskilling SGI's employees			
404-2 (11.7.3; 11.10.7)	Programs for upgrading employee skills and transition assistance programs	Upskilling and reskilling SGI's employees			
404-3	Percentage of employees receiving regular performance and career development reviews	Employee assessment process			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>Non-discrimination and equal opportunities</b>					
3-3 (11.11.1, 11.14.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 202: Market presence (2016)</b>					
202-2 (11.11.2, 11.14.3)	Proportion of senior management hired from the local community	SGI's initiatives to promote Diversity & inclusion			
<b>GRI 405: Diversity and Equal Opportunities (2016)</b>					
405-1 (11.11.5)	Diversity of government bodies and employees	SGI and its people			
405-2 (11.11.6)	Ratio of basic salary and remuneration of women to men	Employee evaluation and pay			
<b>GRI 406: Non-discrimination (2016)</b>					
406-1 (11.11.7)	Incidents of discrimination and corrective actions taken	Non-discrimination and equal opportunities			
<b>Value chain management</b>					
3-3 (11.10.1, 11.12.1, 11.13.1, 11.14.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 204: Procurement Practices (2016)</b>					
204-1 (11.14.6)	Proportion of spending on local suppliers	SGI's supply chain			
<b>GRI 308: Supplier Environmental assessment (2016)</b>					
308-1	New suppliers that were screened using environmental criteria	SGI's supply chain			
308-2	Negative environmental impacts in the supply chain and actions taken	SGI's supply chain			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>GRI 407: Freedom of Association and Collective Bargaining (2016)</b>					
407-1 (11.13.2)	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SGI's supply chain			
<b>GRI 408: Child Labor (2016)</b>					
408-1	Operations and suppliers at significant risk for incidents of child labor	SGI's supply chain			
<b>GRI 409: Forced or Compulsory Labor (2016)</b>					
409-1 (11.12.2)	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SGI's supply chain			
<b>GRI 414: Suppliers Social Assessment (2016)</b>					
414-1 (11.10.8; 11.12.3)	New suppliers that were screened using social criteria	SGI's supply chain			
414-2 (11.10.9)	Negative social impacts in the supply chain and actions taken	SGI's supply chain			
<b>Relations with local communities</b>					
3-3 (11.14.1, 11.15.1, 11.17.1)	Management of material topics	SGI's Materiality analysis			
<b>GRI 201: Economic Performance (2016)</b>					
201-1 (11.14.2)	Direct economic value generated and distributed	Economic value generated and distributed			
<b>GRI 411: Rights of Indigenous Peoples (2016)</b>					
411-1 (11.17.2)	Incidents of violations involving rights of indigenous peoples	Relations with local communities			

Standard GRI/ Material appearance	Disclosure	Location	Omissions		
<b>GRI 413: Local Communities (2016)</b>					
413-1 (11.15.2)	Operations with local community engagement, impact assessments, and development programs	Relations with local communities			
413-2 (11.15.3)	Operations with significant actual and potential negative impacts on local communities	Relations with local communities			
<b>Land and natural resource rights</b>					
3-3 (11.16.1)	Management of material topics	SGI's Materiality analysis			
<b>Technological Innovation</b>					
3-3	Management of material topics	Technological innovation			
<b>Sector Standard GRI 11 Oil &amp; Gas Topics Non-material for SGI</b>					
11.5 Waste		These topics were not material for the Sustainability Report 2023 as they were not directly related to SGI's core business.			
11.6 Water and effluents					
11.18 Conflicts and security					
11.21 Payments to governments					
11.22 Public policy					



Società  
Gasdotti  
Italia

**Società Gasdotti Italia S.p.a.**

P.I. 04513630964

REA MI - 1753569

## Locations

### Registered office

Via della Moscova, 3 - 20121 Milano

### Other locations

FROSINONE - Via dei Salci, 25

ROMA - Via Toscana, 10

CHIETI - Via Padre Ugo Frasca snc

LARINO - Contrada Monte Arcano snc

## Contacts

### Tel.

0775.88601

### Email

[segreteria@sgispa.com](mailto:segreteria@sgispa.com)

### PEC

[sgispa@legalmail.it](mailto:sgispa@legalmail.it)