Società
Gasdotti
Italia

Sustainability Report

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Content Index

Letter to Stakeholders

> “Significant challenges await us in the coming years, which we face with confidence to strengthen our growth path—starting with major infrastructure investments and continuing toward the energy transition.

Roberto Loiola | Chief Executive Officer

Dear Stakeholders,

The year 2024 confirmed the high volatility of the global energy market, particularly regarding price dynamics, which made infrastructure investments even more strategic for stabilizing energy and natural gas supplies and ensuring their flexibility.

The European system absorbed the structural change in natural gas supply diversification and progressively increased the use of liquefied natural gas (LNG), particularly of American origin. The same trend occurred in Italy, where the total volumes, around 64 billion cubic meters, remained stable compared to 2023 and were met by LNG for 40% of the total.

Società Gasdotti Italia achieved positive and significant results across all fronts and further strengthened its commitment to energy transition, safety, and environmental sustainability.

SGI’s financial and economic results in 2024 were excellent, with EBITDA growth of +29.5% compared to the previous year and a record level of investment for the company.

The implementation effort enabled an investment of over €80 million, marked by several significant milestones, including the start of construction on the Corridonia compression station, obtaining the single authorization for the new Anello Val d’Aso pipeline and for the Cellino – Bussi line, and progress on the Lucera – San Paolo pipeline project.

Throughout 2024, SGI intensified its work on so-called green molecules, especially biomethane and hydrogen. SGI played a facilitative role in biomethane projects, enabling its injection into the network through new connections. Experimental hydrogen projects continued, and SGI contributed to the formation of the first national hydrogen strategy announced by the Ministry of the Environment and Energy Security in the second half of 2024.

In 2024, an ESG Control Committee was established, and SGI’s Board of Directors approved the annual update of the ESG Plan for 2025–2027.

Sustainability Report | *Letter to Stakeholders*

Numerous ESG Plan objectives were successfully completed during the year, including:

- Reducing venting emissions in line with targets (over 75% of emissions avoided);
- Obtaining DE&I Certification in accordance with UNI/PdR 125:2022;
- Obtaining Information Security Certification in accordance with UNI EN ISO 27001:2022;
- Conducting the first gender equality survey;
- Deploying the annual Engagement Survey (score of 7.69/10 and Net Promoter Score of 9);
- Completing the Gap Analysis versus CSRD Directive;
- Achieving GHG emissions certification according to ISO 14064-1;
- Reducing total emissions by 40% compared to the 2021 baseline;
- Earning a score of 96/100 and 5 Stars in the GRESB Benchmark.

The Net Zero target for scope 1 and 2 emissions by 2040, and scope 3 by 2050, was also confirmed.

2024 marked the beginning of an ambitious Digital Transformation plan, with a detailed strategy and the implementation of the first transformation projects.

None of this would have been possible without the excellence and dedication of SGI’s people, who remain fundamental both for delivering such complex and interconnected projects and for supporting ongoing transformation initiatives. We will continue to invest in our people through training, skills development, welfare, and policies on diversity, equity, and inclusion.

Significant challenges await us in the coming years, which we face with confidence to strengthen our growth path—starting with major infrastructure investments and continuing toward the energy transition.

On behalf of the Board of Directors,

L’Amministratore Delegato

Methodological Note

GRI 2-2, 2-3, 2-4
This sixth edition of Società Gasdotti Italia's Sustainability Report (hereafter "SGI" or "the Company") aims to provide a comprehensive overview of the operational and governance model, adopted strategies, and sustainability results for the year 2024 (reporting period from January 1 to December 31, 2024). The document outlines activities carried out, achievements, and future goals in the field of sustainability, with particular attention to future developments.

The report includes both qualitative and quantitative information on topics considered material to SGI and its stakeholders, identified through a materiality analysis detailed in the "SGI Materiality Analysis" section. This section explains the process used to identify and assess the environmental, social, and governance impacts of SGI's activities and how the material topics for this report were selected.

In 2024, SGI continued its materiality analysis following the guidelines of "GRI 3: Material Topics 2021," consistent with the approach used in 2023. As with the previous edition, the report was prepared in accordance with the 2021 GRI Standards and the GRI Oil & Gas Sector Standard 2021, under the "in accordance" option. A full list of the standards used is available in the GRI Content Index in the Appendix. The report also incorporates the United Nations 2030 Sustainable Development Goals (SDGs), which guide SGI's sustainability strategy.

In terms of reporting scope, the data and information refer to SGI, with a focus on the Frosinone, Rome, Chieti, and Larino locations, and are presented on a consolidated basis.

The report covers the 2024 fiscal year and includes, where possible, comparisons with 2023 data to assess SGI's performance over the two-year period. To ensure an accurate representation of performance, only directly measurable data are included, with minimal use of estimates. Any limitations or adjustments are clearly noted, along with the methodology used for calculations.

In line with GRI guidelines, data collection for this report followed these principles:
- Inclusiveness, sustainability context, materiality, and completeness for content definition;
- Balance, comparability, accuracy, timeliness, and clarity for the reporting process.

Finally, during the reporting year, there were no significant changes in SGI's size, ownership structure, or supply chain.

For more information or suggestions regarding the SGI Sustainability Report, please contact Pasquale Verrecchia at pasquale.verrecchia@sgispa.com.

This document is also available on SGI's website at www.sgispa.com.

SGI's Materiality Analysis

Stakeholder Engagement

GRI 2-29
Engaging stakeholders represent an essential opportunity for dialogue with the company's key players, particularly when the objective is to create long-term shared value. In a win-win logic, SGI recognizes the importance and influence of its stakeholders in pursuing its corporate mission, while also being fully aware of the vital role it plays in delivering energy to the market in a safe, efficient, and sustainable manner—thus contributing to the economic development and well-being of the communities in which it operates.

Accordingly, SGI regularly identifies every individual or group with legitimate interests—explicit or implicit—in the Company, who may be positively or negatively impacted by its activities. Defining the most appropriate communication channels to engage stakeholders is also a key step to ensure continuous dialogue and an inclusive approach.

The stakeholder mapping validated in the previous reporting year remained unchanged in 2024. The main stakeholder categories involved are: Public Entities, Local Communities, the Financial Community, Institutions, Clients, and Suppliers.

In 2024, SGI's engagement projects focused on narrowing the gap between the company's vision and that of its stakeholders. The number of meetings has increased, with efforts made to anticipate stakeholder needs.

At the same time, SGI also participated as a stakeholder in supplier events on health, safety, and environmental topics.

Materiality Analysis

GRI 3-1, 3-2
The materiality analysis, conducted in line with the "GRI Standards 2021" reporting standard, remains unchanged from the 2023 Sustainability Report. No new material topics emerged, and none of the previously identified ones were excluded. The list of material topics remains essentially the same, as the assessment of key issues performed in 2023 continues to reflect SGI's strategic priorities and significant impacts.

The analysis was based on a thorough evaluation of the global context and the main megatrends shaping the Oil & Gas sector. This allowed the identification of SGI's current and potential positive and negative impacts on the economy, the environment, people, and human rights. This detailed mapping of relevant ESG-related aspects for both the organization and its stakeholders forms the methodological foundation for understanding sustainability dynamics.

The continued validity of the materiality analysis for 2024 further confirms SGI's alignment with sector megatrends and challenges, helping to monitor the relevance and effectiveness of its strategic sustainability goals.

Sustainability Report | *SGI's Materiality Analysis*

Material Issue	Impact	Impact description	Impact Type
Climate adaptation, resilience and transition	Resilience to climate change and extreme climate events	Adaptation to climate change and extreme weather events that impact business operations	Positive
	Energy transition strategies	Energy efficiency and transition to the use of renewable energy sources	Positive
Greenhouse gas emissions (GHG)	GHG emissions generation	Contribution to climate change through direct and indirect energy-related GHG emissions, linked to activities carried out at the company's offices and sites	Negative
	Generation of significant air emissions	Emissions resulting from gas leaks along the transmission network and increased air pollution	Negative
Biodiversity protection	Depletion of natural resources	Use and consequent depletion of non-renewable natural resources	Negative
	Contribution to biodiversity loss	Alteration of ecosystems due to SGI's activities and their impact on the surrounding territory	Negative
Employee health, safety, and well-being	Employee satisfaction and well-being	Strengthening of well-being, health, and safety measures in the workplace	Positive
	Employee satisfaction and well-being	Workplace accidents or other incidents, with negative consequences for the health of direct employees or external collaborators	Negative
Value chain management	Environmental, social, and economic impacts along the value chain	Negative impacts associated with SGI's value chain relationships on environmental, social, and economic aspects	Negative
	Cases of human rights violations within the organization and its value chain	Violations of human rights along the value chain and within the company, such as the right to freedom of association and collective bargaining, child labor, and forced or compulsory labor	Negative
	Failure to meet customer satisfaction and expectations	Poor service efficiency and reliability, leading to an increase in customer complaints	Negative
	Increase in brand reputation	Increased awareness and sense of belonging, resulting from the engagement and empowerment of stakeholders with whom the company	Positive

Material Issue	Impact	Impact description	Impact Type
Non-discrimination and equal opportunities	Incidents of discrimination	Negative impacts on employee satisfaction and motivation due to discrimination (based on gender, age, ethnicity, etc.)	Negative
	Equal opportunity and inclusion	Respect for diversity and promotion of an inclusive corporate environment through company initiatives and policies aimed at combating discrimination	Positive
Employee development and enhancement	Failure to meet employee growth expectations	Failure to meet employee growth and well-being expectations, with resulting negative impact on satisfaction	Negative
	Development and enhancement of employee skills through training activities	Improvement of employee skills through training and professional development activities, including general and technical programs linked to growth objectives and personalized evaluation (e.g., career development plans)	Positive
Land and natural resource rights	Rights to land and resources	Violation of local community rights regarding the use, access, and control of land and other natural resources due to the organization's activities	Negative
	Strengthening relationships with key partners and stakeholders	Strengthening stakeholder dialogue and engagement during the installation and development of the transport network	Positive
Employee engagement	Talent attraction	Promotion of incentive-based employment policies and creation of an attractive and stimulating work environment for young talents with specialized skills	Positive
	High turnover rate	High turnover rate leading to the loss of key personnel for the company's business	Negative
Technological innovation	Technological innovation in processes and products	Increased investment and financial resources allocated to innovation and the energy transition, aimed at adopting more sustainable technologies	Positive
Asset Integrity and critical event management	Internal/external communication misaligned with organizational values	Corporate communication that is not always transparent and effective toward stakeholders regarding the organization's values and actions	Negative
	Continuity of the service provided	Strengthening and ensuring the security of the provided service by improving its flexibility and quality through the completion of infrastructure enhancement projects, including in situations of network stress or partial shutdown	Positive

Material Issue	Impact	Impact description	Impact Type
Asset Integrity e gestione degli eventi critici	Inefficient management of the gas pipeline network	Management of critical events with reduced performance due to network obsolescence, which compromises safety and efficiency standards	Negative
Business ethics and integrity	Fostering a culture of business ethics	Awareness and promotion of a culture of ethics, fairness, inclusion, and respect for human rights among management, employees, business partners, and other stakeholders	Positive
	Incidents of anti-competitive behavio	Anti-competitive behavior: collusion with potential competitors, abuse of dominant market position, or exclusion of potential market players, thereby limiting competition	Negative
	Incidents of corruption	Potential involvement in cases of corruption	Negativo

In 2024, SGI maintained its focus on the critical topics that guide corporate strategy and influence day-to-day decisions, such as climate change adaptation and resilience, technological innovation, and the health, safety, and well-being of employees and communities.

Highlights

SGI - Who We Are

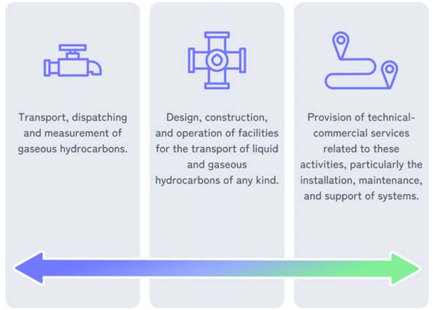
GRI 2-1, 2-6
Società Gasdotti Italia owns and operates an integrated network of high-pressure pipelines for the transport of natural gas, primarily located in Central and Southern Italy, spanning approximately 1,800 km, which isover 5% of the Italian network.

The business is regulated by ARERA (Regulatory Authority for Energy, Networks and Environment), which sets the criteria for access to the gas transport service and defines the economic conditions, ensuring transparency and equal treatment for all operators.

SGI's infrastructure is closely connected to natural gas production plants, Edison Stoccaggio's storage facilities, and the national network managed by Snam Rete Gas at ten interconnection points. It is also linked to smaller local networks operated by Industrial Development Consortia in the Venafro-Isernia and Termoli areas.

The company's registered office is in Milan, while its operational offices are in:
- **Frosinone**, Via dei Salci 25–27 – undergoing major development and modernization in 2024 (e.g., 130 kWh photovoltaic system, wood-structure expansion, automated air exchange system), to be completed in the first half of 2025 with LEED Gold certification;
- **Roma**, in Via Toscana 10;
- **Chieti**, at the CENTRO DAMA building;
- **Larino**, in Contrada Monte Arcano.

SGI's main activities include:



Sustainability Report | *SGI - Who We Are*

SGI'S History

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).

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 Cirò (KR) and the regional network of Collalto (TV).

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.

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.

SwissLife Asset Managers

MACQUARIE

2018

Enura is established.

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

ENURA

2021

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

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

2024

Continuous Growth

- Investments exceed €80 million
- Approximately 30% growth in revenue and EBITDA is recorded
- A rebranding is carried out in line with the company's new values
- SGI obtains UNI/PdR 125:2022 Certification for gender equality, inclusion, and equity in the workplace
- SGI obtains ISO/IEC 27001:2022 Certification for information security and management

Sustainability Report | *SGI - Who We Are*

SGI's Transport Network

The SGI transport system is a high-pressure natural gas pipeline network that extends for approximately **1,800 km**, with pipe diameters ranging from 2 to 24 inches. The infrastructure consists of gas pipeline backbones that are part of the National Network (RNG) and regional gas pipelines (RRG), with related connections.
The entire network is **fully interconnected and integrated** with the national system, ensuring the transport of gas for production, import, distribution, and storage activities.

Specifically, the SGI transport network includes:

- **Eastern Area**: comprises the network partially known as "ex Cellino" in the Marche-Abruzzo territory, extending from the province of Foggia in the south to the province of Macerata in the north;
- **Western Area**: includes the network partially referred to as "ex SGM" (from the name of the original company), running from Lazio (Rome province) to Puglia (Foggia province), crossing Molise and a small portion of Campania;
- **Collalto Pipeline**: located in Veneto, in the province of Treviso;
- **Garaguso Network**: located in Basilicata;
- **Cirò Network**: located in Calabria;
- **Comiso Network**: located in Sicily, in the province of Ragusa.

Main central-Italy network

Sustainability Report | *SGI - Who We Are*

Key Data of the SGI Network:

11 **Interconnection points** with the Snam Rete Gas' national transportation

02 **exit interconnection points** (1 to Snam Rete Gas, 1 to NetEnergy)

06 **Entry points from domestic production fields** [1]

4 Active **biomethane plants**

0,97 mld **Sm³ /year of natural gas transported**

322 **Livery points** [2]

[1] *Data derived from Resolution no.589 of 2023*
[2] *Data derived from Resolution no.589 of 2023*

Physical Dispatching

Dispatching is an essential service for the efficient and safe management of the gas transport network.
Its role is to coordinate in real time the flow of natural gas—from injection points in the pipelines to withdrawal points. This physical balancing of the network is crucial to prevent overpressure or supply shortages, thus ensuring that the gas reaches delivery points on time and in the contractual quantities.
The Coordination Operations Center is in Chieti, in a strategic position that allows for efficient control of the network and rapid response when needed. To ensure the highest reliability, a backup Control Room is in Frosinone, providing constant monitoring and full infrastructure management.

The coordination and monitoring system relies on advanced technological architecture, made up of several integrated components to ensure the control, safety, and efficiency of the gas transport network:

Data Acquisition, Supervision, and Control System (SCADA OASyS)
Enables real-time monitoring of volumes, pressure, temperature, and gas quality at the network's injection and withdrawal points. The new SCADA system went into operation in 2024.

IP-based Telecommunications System
Utilizes next-generation technologies for rapid and secure information transfer, ensuring continuous data flow across the network.

Telemetering System
Performs remote reading of key parameters and triggers automatic alerts in the event of significant deviations, ensuring constant and immediate infrastructure control.

Remote Management and Alarm System
Operated through distributed centers connected via telephone lines and specialized computers, it monitors and records parameters indicating system status. It can respond promptly to alarm situations, ensuring maximum operational safety.

Measurement Management and Archiving System (MA)
Equipped with a complete database of field-recorded measurements, this system calculates Sm³, verifies remote data, archives measurements and gas quality parameters, and stores data for validation. It also manages the topology of the transport system and calculates the physical balance of the network and its sections.

Fluid-Dynamic Simulation Model
A tool used for analyzing transport capacity, determining minimum operating conditions, and evaluating new infrastructure developments, such as connections, variants, or network extensions.

Sustainable Development and Business Strategy

GRI 2-22

SGI's sustainable development model considers the connection between the organization and its surrounding context, integrating ethically and transparently conducted business activities with environmental protection, health and safety safeguards, and respect for individuals. In this framework, SGI promotes trusting relationships with its stakeholders while also exploring new opportunities and markets through the diversification of energy sources.

MISSION

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

1.Achieve Net-Zero and maintain the highest standards to ensure a secure, flexible, and reliable energy supply;
2.Always aim for excellence in innovation, technological choices, and digitalization to increase efficiency and enable the transport of new decarbonized energy carriers;
3.Stimulate collaboration with external partners through a flexible and agile approach, building strong ties with the regions where the company operates;
4.Nurture talent by promoting a stimulating and inclusive work environment to attract top talent.

VISION

To strengthen Italy's energy future by supporting the security of supply and accelerating the transition to decarbonization

SGI's sustainable development strategy aligns with 11 of the 17 Sustainable. Development Goals (SDGs) approved by the United Nations in 2015.

SGI's strategic plan

SGI's strategy is currently structured around four strategic pillars, which reflect the company's evolving vision towards a more sustainable, innovative, and resilient energy future.

Enhancing Existing Infrastructure
by leveraging its potential for transporting renewable gases such as biomethane and hydrogen.
This enables a concrete contribution to the energy transition by reducing dependence on fossil fuels and strengthening national energy resilience.

Development of New Growth Opportunities
by enabling sustainable transition through expansion into new phases of the value chain and high-potential industrial sectors, with a strong focus on innovation and environmental responsibility.

Digital Transformation
as a strategic lever for the continuous improvement of business performance: the adoption of digital technologies and processes helps optimize operational flows, increase productivity, and support data-driven decision-making.

Sustainable Growth Model
based on emissions reduction, integration of renewable energy sources, and active community engagement.

These four pillars clearly outline the path SGI has undertaken to lead the transformation of the Italian energy system, with a vision that combines innovation, sustainability, and responsibility.

SGI's Sustainability Goals

SGI has identified priority objectives for its sustainable business strategy, which it aims to achieve by 2027:

Environmental

- Minimize vented emissions according to OGMP 2.0 standards;
- Aim for Net Zero Scope 1 and 2 emissions by 2040, and Scope 3 emissions by 2050;
- Address sustainability needs across the supply chain, influencing supplier performance;
- Engage stakeholders to promote sustainability efforts aligned with the CSRD directive;
- Increase transportation of green gases (biomethane and H_2);
- Protect biodiversity and ecosystems.

Social

- Promote health and safety at work, with a goal of continuous and sustainable improvement of working environments, including contractors and subcontractors;
- Support the physical and mental health and well-being of employees, while encouraging contractors and subcontractors to do the same;
- Continuously foster employee engagement;
- Reduce the gender pay gap;
- Increase the number of women in executive and mid-management roles;
- Further enhance welfare initiatives.

Governance

- Establish an ESG Steering Committee composed of selected members of the Board of Directors and the Senior Management team;
- Ensure full regulatory compliance through certification to ISO 45001, 14001, 14064, 37001, UNI PdR 125 standards and with dedicated ESG and SHEQ leadership;
- Effectively engage local communities;
- Promote transparency, accountability, and integrity in anti-corruption practices;
- Increase the reach of Enterprise Risk Management (ERM);
- Complete the digital transformation;
- Improve the Customer Satisfaction Index.

SGI's Sustainability Policies

GRI 2-23, 2-24

By embedding sustainability principles into its business strategy, SGI fosters continuous transformation aimed at optimizing the use of natural resources, addressing societal needs, and building long-standing relationships based on trust and collaboration with all stakeholders.

As part of its commitment to sustainable development, SGI has defined clear guiding principles within its *Environmental, Social, and Governance (ESG) Policy*, which are applied across all operations and business relationships:

· Ethics, Integrity, and Anti-Corruption

SGI ensures ethical conduct and compliance through the implementation of behavioral standards, control systems, and procedures applicable to all employees and external partners operating across its plants and offices. These tools enable both proactive and retrospective monitoring of activities, with the goal of preventing and addressing any unethical or corrupt practices.

· Persone, sicurezza sul lavoro, diversità e inclusione

SGI promotes the protection and development of human capital through policies aligned with the company's Code of Ethics. These policies apply to employees, suppliers, contractors, and partners alike. SGI also upholds internationally recognized human rights standards, including those enshrined in the Universal Declaration of Human Rights, the International Labour Organization conventions, and the United Nations Global Compact principles.

· Stakeholder and Community Engagement

SGI maintains an ongoing commitment to open and transparent dialogue with local communities and stakeholders—recognized as key players affected by the company's activities. This approach allows SGI to build mutual trust, better understand stakeholder expectations, and foster constructive collaboration.

· Environmental Stewardship and Net Zero Goals

SGI adopts certified environmental management systems in line with internationally recognized standards to drive performance improvement and reduce environmental risks. The company is actively implementing initiatives to strengthen its resilience to climate change, minimize environmental impact, and optimize operations in both the short and long term, supported by continuous monitoring of key environmental risk factors.

Integrating sustainability into its core business enables SGI to implement progressive change aimed at efficient resource management, social responsibility, and long-term value creation for all stakeholders.

Accountability, transparency, and quality are the pillars of SGI's operations, underpinning its ability to build stronger relationships, respond effectively to employee needs, and meet evolving client and market demands. SGI's commitment to sustainability and operational excellence is also demonstrated by the numerous certifications the company has achieved over the years—clear evidence of its dedication to high-quality management systems and its environmental and social responsibilities.

Below is an overview of the key Management Systems and certifications implemented by SGI, which will be detailed in the following sections:

ISO 45001:2018
Occupational Health and Safety Management System

ISO 27001:2022
Information security and management

ISO 14064-1
Carbon Footprint

ISO 14001:2015
Compliance with Environmental Management Standards

UNI PdR 125:2022
For gender equality, inclusion and equity in the workplace

SGI has earned international recognition for its sustainability practices, as confirmed by its strong performance in the GRESB (Global Real Estate Sustainability Benchmark)—a globally respected ESG rating agency for infrastructure companies. In the most recent assessment, SGI achieved an outstanding ESG score of 96 out of 100 and a prestigious 5-star rating, ranking second worldwide among natural resources transportation companies.li.

5* GRESB
Global Real Estate Sustainability Benchmark
ESG score 96/100

Legality Rating ★★++
Indicating a high level of compliance with regulatory and ethical standards

SGI's continuous improvement in the GRESB rating since 2021 reflects its strategic focus on sustainability and the ongoing development of its ESG policies and practices.

SGI'S 10-Year Network Development Plan

The SGI Ten-Year Plan (hereinafter also referred to as the "Plan") has been developed in accordance with ARERA Resolution 468/2018/R/GAS and the Application Criteria of the Cost-Benefit Analysis methodology, as approved by Resolution 532/2023/R/GAS.

The Plan outlines the infrastructure projects scheduled for the 2024–2033 period, with the objective of providing a transparent assessment of the expected cost-benefits for the company and demonstrating the positive impacts generated for all stakeholders. It is aligned with Italy's national energy policy framework, as defined in the 2023 Integrated National Energy and Climate Plan (PNIEC), which sets ambitious 2030 targets related to energy efficiency, the adoption of renewable energy sources, CO_2 emissions reduction, and overall sustainability.

Considering the evolving global energy landscape, SGI has designed an investment program that, within its area of operation in Central Italy, contributes to achieving the key objectives of national energy policy:

Sustainability Report | *Sustainable Development and Business Strategy*

Decarbonization

SGI contributes to decarbonization through a series of strategic actions:

- Enhancing gas flow management and peak demand handling to support the growing integration of renewable energy sources (RES) into the energy mix;
- Promoting the decarbonization of transported gas by enabling the injection of renewable gases—such as biomethane—into the SGI network;
- Launching experimental projects focused on the conversion of RES into gas (e.g., Power-to-Gas), to accelerate the Energy Transition through cross-sector infrastructure integration (electricity and gas);
- Increasing the use of natural gas in the transport sector (CNG and LNG), with a specific focus on supporting the methanization of Sardinia to replace more polluting fossil fuels;
- Committing to the systematic reduction of methane emissions through continuous measurement and targeted mitigation initiatives.

Security and Flexibility

This represents the Plan's core objective in the short term. Projects under this pillar are designed to enhance supply security and ensure reliability in the domestic gas market by increasing peak capacity and developing reverse flow capabilities.

Research, Innovation, and Competitiveness

The Plan aims to identify and demonstrate, at an industrial scale, the role of the gas network as a key enabler of decarbonization, particularly in "hard-to-abate" sectors.

The Ten-Year Investment Plan is focused on expanding, upgrading, and modernizing SGI's gas transmission infrastructure to strengthen service reliability and resilience. This includes improving the network's flexibility and quality through projects that boost peak capacity and complete the network meshing, ensuring more efficient and robust gas flow management.

SGI's investment strategy is built upon the following key areas:

- Completion of the revamping and enhancement of the national transmission network, especially along the central Adriatic coast, through integration with existing storage fields and expansion of interconnections with the Primary Transmission Operator;
- Implementation of a pipeline replacement program, targeting obsolete infrastructure that has reached the end of its useful life, to be substituted with new "Hydrogen-Ready" pipelines capable of transporting blends containing up to 100% hydrogen;
- Decarbonization of transported gas, by supporting the injection of renewable gases such as biomethane through targeted network expansions, based on new injection requests and future development potential;
- Ensuring network compatibility with renewable gas injection, including synthetic gases and hydrogen (Hydrogen Readiness), as part of maintenance and replacement activities, and launching innovation and pilot projects in compliance with ARERA guidance;
- Development of an integrated regional energy system in Sardinia, in collaboration with subsidiary Enura S.p.A., connecting demand centers to LNG supply points in line with the island's infrastructure development;
- Maintaining and enhancing the safety of gas transport services, through the replacement of existing pipelines in areas not planned for hydrogen conversion or downgrading, while ensuring alignment with operational requirements.

Technological Innovation

In its path of technological innovation, SGI aims to **lead the evolution of the Italian energy system**, investing in research and development activities that are in line with European objectives and the demands of deep decarbonization.

The aim is to develop new **solutions that promote sustainability, security, continuity and cost-effectiveness of energy supplies**.

With a horizon set for 2050, SGI recognizes that more than half of the emission reduction targets needed to achieve climate neutrality will depend on the development of technologies that, to date, are still in the demonstration or prototype phase.

In this scenario, SGI is convinced that the gas infrastructure will play a central role, which is why it has increased its investments in technological innovation and energy transition in recent years, focusing on the adoption of increasingly sustainable solutions.

SGI's infrastructure, which is capable of accommodating 'green gases' of different kinds such as biomethane and hydrogen, represents a fundamental resource to support the transformation of the energy system, making possible a smooth integration of new technologies and contributing significantly to the decarbonization of the sector.

The Energy Transition Process

The path to energy transition sees 2030 as a key milestone towards the complete decarbonization of the energy sector, scheduled for 2050. In this context, the gas grid plays a crucial role, as it can be used to store energy in the form of renewable gases. This solution makes full use of the existing infrastructure, including gas transport, storage and distribution, with significant advantages in terms of scalability and deployment costs. Moreover, the use of the grid will have no impact on end users and will significantly reduce the effects on the environment.
SGI is also committed to the decarbonization of the transport network through the adoption of innovative solutions designed to operate with mixtures of hydrogen and natural gas, up to a percentage of 20%. Interventions of this nature represent an important step towards a more sustainable and less impactful energy system.

Technological innovation projects in 2024

In 2024, SGI continued to invest in technological innovation, focusing on the development of green gas production. Key initiatives include:
- In the Apulia and Lower Molise areas, the collection of connections to produce 10 biomethane plants with a total capacity of 42 million Smc/year;
- In the other areas, the contracting of connections to produce 6 biomethane plants with a total capacity of 26 million Smc/year;
- The issuing of proposals for a further 9 plants with a total capacity of 37 million Smc/year.

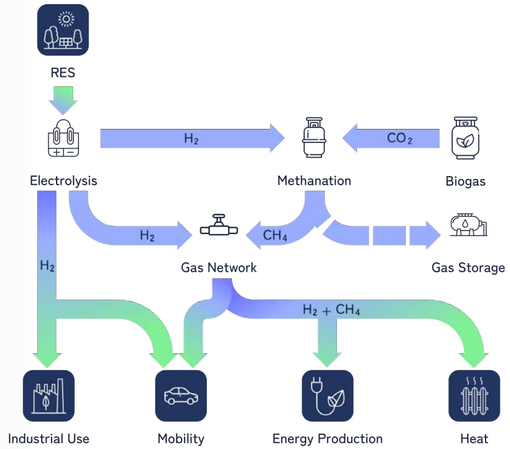
As far as sustainable mobility is concerned, SGI has contracted connections for 4 motor vehicles, with a CO2 and particulate reduction potential of about 5 million Smc/year. In addition, connection proposals have been issued for 5 additional autotractions, with a planned capacity of 5.1 million Smc/year.
These projects are an integral part of SGI's strategy to contribute to the energy transition, reduce emissions and support environmental sustainability using renewable gases and innovative technologies.

Power to Gas: The Future of Energy

Power-to-Gas (PtG) is a key solution for integrating renewable sources into a clean and flexible energy system.

This process involves the production of green hydrogen through electrolysis, powered exclusively by renewable energy. Subsequently, green hydrogen is combined with CO_2 through methanation to produce synthetic methane, like fossil natural gas, but 100% renewable.

Due to CO_2 absorption, this methane has potentially negative net emissions, depending on the source of the CO_2. The hydrogen produced can be mixed with methane in the grid or further processed into green methane, which has the same characteristics as conventional methane and can be fed into the gas grid. This offers versatile solutions for the distribution and storage of renewable energy.



The Digitalization Process as a lever of the Energy Transition

SGI's Strategic Plan 2024-2033 includes a major digital transformation that will affect all business processes, both operational (network management) and support (personnel management, procurement, accounting).
The transformation will take place in two phases:

1. the first, by 2028, aims to digitize and optimize operational processes and will focus on 5 strategic initiatives, supported by an infrastructure renewal based on cloud and state-of-the-art telecommunications. Infrastructure investments will focus on cloud adoption to improve application efficiency and scalability, and on network evolution to ensure secure and rapid exchange of information, following the highest cybersecurity standards;

2. the second, from 2029 to 2033, will introduce advanced technologies such as artificial intelligence, drones, augmented reality and robotic maintenance.

Strategic Levers	Digitalization targets
1 **Project Lifecycle**	Integrated management of the entire asset lifecycle through the creation of a single taxonomy for accounting, regulatory and technical management. The project includes the digitization of investment planning through Capex Management, the adoption of BIM to improve collaboration and efficiency, and the integration of planning and asset management to optimize costs, considering the mutual influence between Capex and Opex.
2 **Asset Management**	Analysis and monitoring of assets to support business decisions based on the real state of infrastructure. Linked to Project Lifecycle, it develops algorithms to optimize asset management: • **Asset Health** - Monitoring of asset status and maintenance planning; • **Investment Optimization** - Prioritization of investments based on asset health and maintenance costs; • **Operations Optimization** - Optimization of maintenance activities based on the trade-off between Capex and Opex. The initiative will help to centralize and correlate information collected from different platforms, identifying new sensor opportunities, but will also help SGI to reduce operational costs, extend asset life and minimize service interruptions.
3 **Operation management**	The initiative aims to integrate field systems with the Network Control Centre via remote control extended to all critical nodes, digitizing operations and improving safety. The project involves upgrading the TLC infrastructure to ensure stable connectivity and cybersecurity, optimizing operational management, reducing losses and increasing the safety of operators in the field.
4 **HR Management**	SGI will invest in digitizing HR management processes to reduce manual operations and introduce people-caring logic to enhance talent and optimize the employee experience. Payroll processes and document management of administrative communications will be digitized, and reporting tools will be introduced to monitor key HR indicators and support strategic decisions. Digitization will also involve recruiting and engagement, with the aim of improving company performance and the relationship between employees and management.
5 **Procurement Management**	The digitalization of the procurement processes for goods and services is a key project to support SGI in its path of evolution. The supplier register has been integrated with a digital vendor rating system, reducing manual effort and ensuring real-time information sharing. The expansion of new IT tools enables the optimization of the entire procurement process—from planning and budgeting of needs to the selection, qualification, and evaluation of suppliers. In a continuous improvement perspective, workflows related to contract management will also be digitalized. This will help reduce manual effort, enhance competitiveness in strategic procurement, and generate cost savings.

Strategic synergies towards the energy transition

In recent years, SGI, in cooperation with relevant industrial partners and research institutes, has launched several initiatives in favor of energy transition. Three are the pilot projects:

The HyBRIDS project, born out of the collaboration between SGI and Società Chimica Bussi (SCB), aims at fostering the energy transition by exploiting the hydrogen produced by SCB and feeding it into the national natural gas grid. The project involves the construction of a pipeline dedicated to the transport of pure hydrogen under high pressure, a connection plant and a station for continuous mixing with natural gas. The infrastructure will also allow temporary storage of the hydrogen and reverse flow to the SCB site for internal use. The first phase will process 72 tonnesof hydrogen per year and introduce a percentage of it into the network, which will then gradually increase. The main objective is to test and enable the existing network to use mixtures of natural gas and hydrogen up to 20% without changing the current infrastructure but making it safe for hydrogen injections. The project is in its final engineering phase, with authorization activities scheduled to start in mid-2024, and has received a contribution of EUR 3.5 million from ARERA. The initiative represents an important step to accelerate the transition towards sustainable energy sources, exploiting the existing gas infrastructure in an innovative and cost-effective way.

SGI has chosen the Frosinone Industrial Development Area as the location for the 'hard-to-a-bate' industrial consumption decarbonization process. In November 2021, a Cooperation Agreement was signed with the ASI Frosinone Consortium and the University of Cassino to create a Master Plan for the 'Hydrogen Valley' project. The latter envisages the production of hydrogen through electrolysis using local renewable energy; the hydrogen is then to be mixed with natural gas for energy and industrial uses. The project received EUR 9.5 million funding from the Lazio Region under the PNRR, and a EUR 1.3 million contribution from ARERA to optimize the use of natural gas infrastructure. The long-term program envisages the extension of the project to other industrial districts in Lazio, with the goal of achieving 100% H2 supply by 2030-2035.

In 2018, through a Cooperation Agreement with ENEA, SGI launched a research activity that subsequently also saw the involvement of other industrial partners. The project aims to produce 100% renewable methane by means of an integrated system for the conversion of H2O into H2 through electrolysis powered by sustainable energy and adduction of CO2 from biomethane upgrading processes, with subsequent methanation and feeding into the transport network. The preliminary study examined the optimal location of the plant and the available technologies, developing an innovative concept for Power-to-Gas (PtG) and fostering the creation of a techno-scientific supply chain. A pilot version of the project (Pegasus Alpha) received funding of about 1.8 million euro from ARERA. In a second phase, SGI plans to develop more capacity for the conversion of FERNP into 100% renewable synthetic methane.

SGI's Key Innovation Partnerships

SGI during 2024 developed new partnerships with several equipment manufacturers related to Blending, Electrolysers, H2 Storage, Methanation.

Furthermore, as part of the study of new special energy transition projects, further dedicated partnerships are being evaluated.

Asset Integrity

GRI 203-1, 203-2
SGI has always prioritized the security and flexibility of its transport network, with the aim of guaranteeing secure and reliable supplies. As part of its strategy, SGI has integrated its network into the Adriatic backbone, a fundamental step towards the replacement of Russian gas with gas imported via the Trans Adriatic Pipeline (TAP), thus strengthening the diversification of supply sources and the resilience of the network.

The completion of major infrastructure projects has made it possible to continuously improve the transport network. Prominent among these is the SGI/SRG Northern BiDi connection with a capacity of 4 million Smc/d, realised through the 35 km-long San Marco Recanati DN600 pipeline, and the completion of the more than 114 km-long Larino-Chieti DN600 section of the Adriatic SGI Gas Pipeline backbone. 2024 saw the start of construction of the Corridonia Booster Station for flow management with a capacity of 7.5 MW, equal to 4.8 million Smc/day. Finally, the project for the completion of the Adriatic SGI Gas Pipeline Reggente Biccari DN400/500 backbone, including the SGI/SRG South BiDi connection, with a capacity of 2 million Smc/day, was started.

In addition to improving the safety and efficiency of the network, the projects have had a positive impact on the local economy, creating significant spin-offs in terms of temporary employment, increased sales of semi-finished products, and strengthening the logistics and hospitality sectors. Thanks to these investments, SGI not only strengthens its infrastructure, but also contributes to the wellbeing of local communities, demonstrating how technological innovation can translate into tangible benefits for the local economy and social sustainability.

SGI's commitment to the management of critical events

GRI 2-25, 416-1, 416-2
One of SGI's primary strategic objectives is to ensure the continuity of its service, constantly striving to strengthen the security of the network while improving its flexibility and quality. However, some significant critical issues emerge due to urban expansion in particular stretches of the Italian peninsula. In these areas, the reduction of operating pressures is necessary due to the proximity of the infrastructure to population centers, which directly impacts transport capacity. To ensure high levels of safety and operability, SGI has developed a multi-year program that closely monitors the 'health' of the network, divided into specific phases and designed to adapt to the characteristics of each section.
The program is based on the '*Asset Health*' methodology (compliant with the requirements established by ARERA), which aims to optimize the continuity of business operations. The methodology includes the definition of criteria for assessing the health of gas transmission system assets and the analysis of the probability of asset failure, including the assessment of potential consequences. It considers current risks and how these might evolve over time and consequently determines when it is necessary to intervene on the assets. A key aspect of the methodology is the set of indicators that are useful not only to monitor the health of the assets, but also to assess the reliability, safety, performance and cost-benefit ratio of the network.

With the "*Asset Health*" methodology, SGI can explore different options to preserve and improve the health and safety of assets, thus supporting investment decisions that manage risks and optimize the overall value of the transport network, considering constraints, costs and benefits.

In 2024, SGI operated without recording any non-compliance with regulations or voluntary codes relating to health and safety impacts, confirming the effectiveness of its practices and its ongoing commitment to maintaining high standards of safety and quality.

Cyber security

GRI 418-1

At SGI, cyber security is a crucial element in ensuring the proper delivery of essential services, through the ability to protect the company's IT infrastructure (computers, servers, network devices and electronic systems) and data from malicious attacks. The Company has addressed various aspects of cyber security, including network, application and information protection, operational security, disaster recovery, business continuity and end-user training, implementing appropriate countermeasures to reduce risks.

To manage cyber security, SGI has adopted a national framework based on NIST (National Institute of Standards and Technologies) that includes NIS Compliance and GDPR controls and is supplemented with additional requirements from the National Cyber Security Perimeter (PSCN). Cyber incidents are dealt with through an internal procedure that provides for the identification, classification and management of incidents, with definition of roles, responsibilities and notification methods to the competent authorities (CSIRT). The procedure includes preventive and corrective actions to contain damage, resolve vulnerabilities and restore services.

Training and awareness-raising of users on cyber security is a crucial aspect that can produce important results, so it is no coincidence that even in 2024 there were no incidents of privacy breaches or data loss.

Responsible Governance

0 cases of non-compliance with laws and regulations

0 incidentes of discrimination

0 cases of corruption

GRESB

AGCM AUTORITÀ GARANTE DELLA CONCORRENZA E DEL MERCATO

Legality rating ++

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

SGI's governance model follows the traditional administration and control scheme, which consists of three main bodies: the Shareholders' Meeting, the Board of Statutory Auditors and the Board of Directors.

The Board of Directors, as the apex body, is responsible for defining the guidelines and operating methods for the planning, management and control of the corporate governance system, ensuring its full compliance with current legislation and adopting the best national and international reference practices. This body, which is headed by the

Company's Chairman, consists of seven members whose term of office, established by the Shareholders' Meeting, may not exceed three years.

Appointments of the members of the Board of Directors are made in compliance with the principles of fairness and equal opportunity, guaranteeing the absence of discrimination based on gender or other personal characteristics. They are made in close cooperation with the shareholders, following transparent and well-defined procedures that regulate each stage of the process, including the selection criteria.

The selection of the Chief Executive Officer, in particular, is conducted with a focus on the prevention of conflicts of interest, such as overlapping roles and responsibilities that could compromise the independence and effectiveness of the position. The process is conducted strictly in accordance with the provisions of the Civil Code, ensuring transparency, fairness and integrity in the administration of the Company.

In April 2024, the SGI Board of Directors was renewed with the replacement of one director.

Board of Directors Composition as of December 31,2024:

Fulvio Conti	Chairman	Man	>50
Roberto Loiola	Chief Executive Officer	Man	>50
Roberta Benedetti	Board Member	Woman	>50
Paolo Pietrogrande	Board Member	Man	>50
Patrick Herger	Board Member	Man	30-50
Charlotte Brunning	Board Member	Woman	30-50
Marissa Dardi	Board Member	Woman	30-50

Fulvio Conti
Chairman

Roberto Loiola
Chief Executive Officer

Roberta Benedetti
Board Member

Paolo Pietrogrande
Board Member

Patrick Herger
Board Member

Charlotte Brunning
Board Member

Marissa Dardi
Board Member

The Board of Directors has broad powers to manage the Company and therefore has the authority to perform any act deemed necessary, including acts of disposition, to implement and pursue the Company's objectives, with the exception of those that the law reserves exclusively to the Shareholders' Meeting.

The definition of the Company's strategic objectives and guidelines represents a fundamental task for the Board of Directors, since it establishes the directions in which the Company will move in order to achieve its goals, including those related to sustainability. This responsibility entails an in-depth analysis of the opportunities and challenges that the Company may face in the long term, ensuring that strategic choices are in line with market developments, applicable regulations and stakeholder expectations. In this context, the Board identifies the main business impacts and the most appropriate policies to manage these risks, ensuring that all actions taken are consistent with changing business dynamics and that results are constantly monitored.

In parallel, the Board oversees the evolution of the company's vision and mission, ensuring that they remain relevant to changing internal and external conditions. To ensure that choices and actions are always aligned with these objectives, the Board receives regular updates on various aspects, including business trends, environmental policies, work organization and human resources management. Should situations arise that could jeopardise the strategic objectives, the Board takes timely action, providing guidance and solutions to effectively address the challenges and ensuring that the Company maintains the right balance with corporate strategies and sustainability policies.

Every year, the Board of Directors approves the Sustainability Report, drawn up on a voluntary basis by the Company, which allows the overall performance of the Company and its governing bodies to be assessed and monitored. The Sustainability Report is the tool to verify the effectiveness of the company's objectives related to the economy, the environment and people, as well as to ensure transparency and accountability towards stakeholders.

The Board of Directors is responsible for reviewing, amending and approving the sustainability strategy, followed by the monitoring of its implementation, so as to ensure that objectives are met, and actions are consistent with corporate developments and expectations.

Several board members, including the CEO, also play an active role in the public debate on ESG issues, contributing their insight and experience. By participating in media interviews, conferences and public events, they offer insight into the positive impact the Company has on the economy, the environment and people. This engagement is part of a broader process of awareness-raising and dialogue with the community and stakeholders, which is underpinned by responsible corporate governance aligned with sustainability principles.

In early 2024, a Steering Committee was set up, comprising representatives of the Board and management of SGI, dedicated exclusively to ESG issues, alongside the HRCC Steering Committee (Human Resources and Remuneration Committee) established by specific resolution of the Board of Directors, whose task is to deal with personnel issues.

The Chairman of the Board of Directors represents the Company in institutional and shareholder relations, ensuring that these interactions take place in a fair and transparent manner. However, this function does not entail any executive power, since the operational management of the Company remains under the responsibility of the delegated bodies and management.

Ethics and Integrity of Business

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

"At SGI, we operate responsibly, placing integrity and transparency at the heart of our corporate culture. We believe that an ethical approach is essential to building trust and fostering sustainable development. For this reason, we are committed to promoting a culture based on ethical awareness, inclusion, and equity, where respect for human rights and social responsibility are shared values across management, employees, business partners, and stakeholders."

The fight against corruption and the rejection of any corrupt behavior are principles that constantly guide SGI's actions and decisions. Corruption, whether active or passive, in the public or private sector, threatens the integrity of the Company and undermines trust with stakeholders. To monitor and reduce risks associated with corruption in all its forms, SGI has implemented a set of behavioral standards, monitoring tools, and operational procedures that enable both preventive and ex-post checks. These measures are designed to ensure that all activities are conducted ethically and transparently, preventing and countering any corrupt or non-compliant conduct.

Communication and training play a crucial role: SGI raises awareness among staff and external stakeholders about corruption-related issues, providing the necessary tools to fight it. All members of the Board of Directors and employees have been properly informed about anti-corruption regulations and the procedures implemented by the Company, with special attention to managing relationships with public entities, institutions, suppliers, and clients.

Protecting corporate reputation is vital to ensure that SGI is recognized by its stakeholders as a reliable and trustworthy partner. To preserve such integrity, the Company adopts strict measures to prevent corruption and counter illegal conduct, in full compliance with applicable regulations.

Sustainability Report | *Responsible Governance*

To this end, SGI has adopted the following key tools:

- Organizational, Management and Control Model pursuant to Italian Legislative Decree 231/2001
- Code of Ethics
- Specific anti-corruption policies

Per garantire il rispetto dei principi etici, tutte le operazioni commerciali significative per SGI con importi superiori a 2.000 euro sono sottoposte a una valutazione preliminare per identificare potenziali rischi legati alla corruzione.

To ensure compliance with ethical principles, all significant business transactions exceeding €2,000 undergo a preliminary assessment to identify potential corruption risks. If any conflicts of interest arise, even potential ones, the individuals involved are required to refrain from any actions that may generate conflicts and to promptly report the situation to their direct supervisor. The supervisor will initiate the necessary internal checks to address the matter appropriately. During 2024, as part of the update and revision of the Organizational Model pursuant to Legislative Decree 231/2001, a training program focusing on anti-corruption topics was launched. This program involved all levels of the organization, aiming to widely communicate and disseminate the regulations and procedures adopted on the matter—not only within the Company but also among business partners (suppliers, contractors, subcontractors, institutions, etc.). The training was conducted in June 2024, with an additional session held in November 2024 (refer to the attached tables for detailed information).
It is worth noting that no violations of the Code of Ethics—and particularly, no cases of corruption—were reported in 2024.

The Code of Ethics

The Code of Ethics clearly sets out the behavioral standards expected of anyone interacting with SGI. It is not merely a set of formal rules, but a practical tool for ensuring integrity, responsibility, and transparency in relationships with employees, consultants, suppliers, customers, and anyone acting on behalf of the Company by virtue of specific mandates or powers of attorney. Its dissemination and mandatory compliance ensure consistent ethical behavior at all levels of the organization, minimizing the risk of misconduct and preventing potential conflicts of interest.

The adoption of the Code of Ethics is part of a broader framework of corporate values that SGI considers essential for sustainable growth and the achievement of strategic objectives:

Collaboration and Transparency
SGI promotes teamwork by valuing talents and skills and encourages open and constructive dialogue—both internally and with stakeholders—based on transparency.

Trust and Respect
SGI fosters people's well-being by creating an environment of mutual trust and assertive communication, where diversity is valued and respect guides daily actions.

Innovation and Continuous Improvement
SGI is future-oriented, embracing innovation as a driver of growth, constantly improving infrastructure and encouraging continuous learning, even from failure.

Responsibility
SGI acts ethically and safely, making responsible decisions while carefully evaluating consequences, and ensuring consistency between values and actions.

Sustainability
SGI is actively committed to ecological transition and energy security, adopting sustainable solutions aimed at reducing environmental impact and achieving carbon neutrality.

SGI's Organizational, Management and Control model 231/01

GRI 2-27
The voluntary adoption of the Organizational, Management and Control Model (hereinafter "MOG") by SGI further demonstrates its commitment to transparency, legality, and the protection of corporate interests. Although not legally mandated, the Company—aware that a structured crime-prevention system not only safeguards itself but also represents added value for shareholders, employees, and stakeholders—chose to implement the Model as early as 2005, following a resolution by the Board of Directors.

The same resolution established an external Supervisory Body(ODV) responsible for ensuring independent and impartial oversight of the Model's application and for intervening in the event of critical issues. Over time, the system has been regularly updated to reflect new types of offenses introduced by legislation, confirming SGI's proactive approach in maintaining high compliance standards.

The adoption of the MOG goes beyond offering legal protection under Legislative Decree 231/2001; it is a cornerstone for strengthening corporate governance. To ensure the system's effectiveness, SGI conducted a thorough analysis of the business areas most exposed to risk, translating the findings into specific procedures in line with the provisions of Legislative Decree 231/2001 and its related guidelines.

Key components of the Model include:

- Mapping of sensitive activities through the identification of areas, processes, and company sectors potentially exposed to criminal risk;
- Assignment to the OdV of responsibility for monitoring the Model (its functioning, effectiveness, and compliance), updating it, and disseminating it among relevant parties;
- Verification and documentation of all operations relevant to Legislative Decree 231/2001;
- Application of the principle of separation of functions to clearly distinguish roles and responsibilities;
- Definition of authorization powers consistent with assigned responsibilities;
- Periodic control of the Model's effectiveness, with updates based on post-event checks;
- Company-wide awareness and dissemination of behavioral rules and adopted procedures.

Through the MOG, the company ensures oversight governance in line with the provisions of Legislative Decree 231/2001, which require due diligence to verify control over business processes, prevent potential violations of human rights, and address environmental and occupational health and safety crimes.

In 2024, the MOG underwent full revision (March) and update (November), which included the transition from a single member to a multi-member Supervisory Body (composed of two external members). It is also noted that no violations of the 231 Model have been identified.

Whistleblowing Protocol

GRI 2-16, 2-26
In accordance with national and European legislation, SGI has adopted a Whistleblowing Protocol and activated a dedicated internal reporting channel (in addition to the external one managed by A.N.A.C.), allowing individuals to report critical issues, violations, or offenses relevant to the MOG through three different modes:
- **Open**, with consent to disclose the whistleblower's identity during the investigation process;
- **Confidential**, with disclosure of identity to the recipient only, without authorization for further disclosure;
- **Anonymous**, with no indication of the whistleblower's identity.

The Recipient of internal reports is the OdV, which evaluates and responds to each report that is not clearly unfounded or irrelevant, reserving the right to conduct an internal investigation into the reported matter.

To this end, SGI guarantees the utmost confidentiality for whistleblowers, protecting them from any form of retaliation, discrimination, or penalization. This commitment includes the protection of the whistleblower's identity, except in cases where legal obligations require disclosure or where it is necessary to protect the rights of the Company and any individuals involved in unfounded reports.

All personnel are obligated to report any known criminal acts within the Company or behaviors that do not comply with adopted codes of conduct.
As of 2024, the OdV has not received any reports.

Enterprise Risk Management (ERM)

In 2024, SGI adopted the Enterprise Risk Management (ERM) model with the goal of integrating it into the definition of business strategies through a structured, cross-functional assessment of risks, resources, processes, and overall organizational goals.

The implementation of ERM enables SGI to foster a risk-aware culture, strengthen governance, prevent economic shocks, and quickly identify emerging issues.
Risks are identified based on business processes, analysis of the internal and external context, and the objectives set out in the corporate strategic plan.

Four risk families were identified: “Strategic risks”, related to factors that may impair the organization’s ability to achieve long-term objectives and maintain competitive positioning; “Operational risks”, linked to events or situations that may negatively impact daily activities and internal processes; “Reputational risks”, associated with changes in public perception or the organization’s image among internal and external stakeholders (clients, partners, regulators, public opinion); “Emergent risks”, a new category related to the development or adoption of rapidly evolving technologies that may cause uncertainty in terms of operational model adequacy and security.

Each risk family is associated with one or more risk categories, which identify the specific organizational area affected. Ten risk categories have been defined: Corporate, Strategic, Investments, Governance, Process, Technology, Integrity, Human Resources, Information Management, and Reputation. These categories encompass 51 identified and mapped business risks, which also integrate ESG (Environmental, Social, Governance) considerations.

Among the main ESG-related risks identified are those linked to both physical and transitional climate change, such as the impact of temperature variation on gas demand, infrastructure obsolescence due to electrification of consumption, and adaptation to low-carbon technologies. Risks related to sustainability have also been considered, including the adequacy of decarbonization plans, workplace inclusiveness, natural resource management, and compliance with emerging ESG regulations.

Sustainability Report | *Responsible Governance*

RISK FAMILIES	Strategic	Operational	Reputational	Emergent
RISK CATEGORIES	**Strategic Risks** **Investment Risks** **Government Risks**	**Process** **Technology** **Integrity** **Human Resources** **Information Management**	**Reputational**	**Technology**
RISK MAPPED	• Intellectual Property • Marketing • Org. Structure • Product Obsolescence • Resource Allocation • Sustainability • Market trends • Competitive trends • Acquisitions • Commodities • Credit • Default • Foreign Exchange • Interest Rates • Liquidity • Capital availability • Capital structure • Financial Markets • Natural Hazards • Compliance • Regulatory Risk • Sovereign / Political • Terrorism • Technical Compliance • Climate Change risks	• Business Interruption • Health & Safety • Physical Security • Supply Chain • Transaction Processing • “Budgeting & Forecasting” • Investment Evaluation • Pension Fund • Taxation • Change Readiness • Leadership • Outsourcing • Staff Retention • Succession Planning • Training • Conflict of Interest • Employee Fraud • Access • Capacity • Data Integrity • Network Security • Reliability • Cyber crime / theft • Environmental damages • Delays in new construction		

As part of the risk assessment process, the parameters of impact and probability play a central role in determining the significance of the risk. Impact represents the measure of the potential consequences that a risk event may have on the organization's strategic objectives, while the probability of occurrence refers to the likelihood that the risk will materialize within a given time horizon, either based on past events or future projections. These dimensions are considered both during the inherent assessment phase (i.e., without considering any controls or mitigation measures) and the residual phase, which considers existing controls.

The impact assessment was conducted based on five main drivers: Economic–Financial, Reputational, Compliance, Managerial–Operational, and HSE (Health, Safety, and Environment). The latter plays a key role in the context of sustainability and corporate social responsibility. Events with HSE impact can have significant consequences on the protection of people—both internal and external to the organization—and on the environment, directly affecting the organization's sustainability commitments and ESG performance.

At the conclusion of the analysis, based on the Residual Risk value, the most significant risks were identified in relation to strategic objectives and the reference context. These risks were evaluated through the application of the Risk Appetite Framework (RAF), which involved defining qualitative and quantitative threshold values for each of the ten risk categories, allowing the organization to establish an acceptable risk level. If this threshold is exceeded, risk management actions must be taken through specific strategies: mitigation, transfer, or elimination of the risk.

The analysis led to the identification of 29 risks for which the threshold was exceeded, requiring the adoption of a risk management strategy. For more than half of these risks, periodic monitoring of the effectiveness of existing controls was planned to assess over time their ability to mitigate the risk. For the remaining risks, specific action plans were developed to adapt or strengthen the existing controls with respect to the identified risk, detailing the treatment actions to be taken and a specific due date agreed upon with the risk owner. The ERM structure coordinates monitoring activities and provides methodological support to Risk Owners by overseeing the progress and effectiveness of the defined response actions, and thus, the company's overall exposure.

In conclusion, the implemented ERM system enables integrated and responsible management of all corporate risks, including environmental, social, and governance-related risks, strengthening the organization's ability to proactively face challenges and seize opportunities arising from regulatory and market developments.

SGI and its people

GRI 2-30
SGI recognizes its employees as the main driving force behind business success and a key **strategic lever** for development and competitiveness. The company is fully aware that valuing people and safeguarding their well-being represents the essential foundation for a solid, progressive, and lasting evolution of the organization.

SGI's future is built on principles of **open innovation**, sustainability, and a strong focus on the well-being of its employees. The company's goal is to leverage innovative technologies to improve both the quality of work and the quality of life of its people.

The company protects its employees by applying the National Collective Labor Agreement (CCNL) for Energy and Oil and by promoting consultation and active participation of workers in defining work management policies and procedures, including involvement from employee representatives and social partners. SGI also ensures full freedom of association and participation in trade unions.

Investing in people means investing in the future: SGI's true value lies in the relationships, ideas, and daily dedication of those who passionately contribute to guiding and growing the company.

"People, our Most Value Asset"

SGI's employees

GRI 2-7, 2-8, 405-1
As of December 31, 2024, SGI employed a total of 70 people, a 9% increase compared to 2023, consisting of 53 men and 17 women.

Below are the figures regarding employee distribution by contract type, age group, gender, and professional level.

Table 1 - Employees by permanent/fixed-term contract and by gender (GRI 2-7)
Table 2 - Employees by full-time/part-time contract and by gender (GRI 2-7)

Total number of Employees by contract type and Gender

Site	Tipology of Contract	2023			2024		
		Men	Women	**Total**	Men	Women	**Total**
Italy	Permanent	48	15	**63**	52	16	**68**
	Fixed-term	1	0	**1**	1	1	**2**
	Total	**49**	**15**	**64**	**53**	**17**	**70**

Total Number of employees by full-time/part-time contract

Site	Full-time/Part-time	2023			2024		
		Men	Women	**Total**	Men	Women	**Total**
Italy	Full-time	48	15	**63**	52	17	**69**
	Part-time	1	0	**1**	1	0	**1**
	Total	**49**	**15**	**64**	**53**	**17**	**70**

98% of SGI employees hold a full-time permanent contract. As for non-employees, there are 3 active interns.

As shown in the table below, 6% of SGI employees are Executives, 17% hold Middle Management positions, 58% are Office Staff, and the remaining 19% are Manual Workers.

Employees by job level and gender

Percentage	2023			2024		
	Men	Women	**Total**	Men	Women	**Total**
Executives	6%	0%	**6%**	6%	0%	**6%**
Managers	9%	5%	**14%**	11%	6%	**17%**
Employees	41%	19%	**59%**	40%	18%	**58%**
Laborers	20%	0%	**20%**	19%	0%	**19%**
Total	**77%**	**23%**	**100%**	**76%**	**24%**	**100%**

Table 3a – Percentage of employees by job category, divided by gender and age group (GRI 405-1)

Employees Engagement

GRI 401-1, 402-1

In recent years, significant growth in the company's workforce has been driven by business development linked to energy transition, which requires an expansion of knowledge and specialized skills within the team.

In 2024, 12 new employees joined the company, all aged between 30 and 50, except for one under 30; the hiring rate was 17%. The turnover rate was 3%, consistent with 2023. Detailed figures are presented in this section and in Tables 29, 30, and 31 in the annex.

For talent selection and acquisition, SGI collaborates with external recruitment and head-hunting firms that identify candidates aligned with the company's values and required competencies to attract the best available talent. Over time, the company has also built strong relationships with local universities, collaborating on projects, master's programs, and career days, which provide opportunities to meet students, recent graduates, and young professionals.

The company's talent attraction strategy and turnover reduction efforts are further supported by a compensation package that includes various benefits provided under the national contract (such as productivity bonuses, 14 monthly salaries, health insurance, and supplementary pension plans), and others offered through internal agreements (including welfare plans, flexible hours, meal vouchers, etc.). SGI is also working on implementing training and development programs for all employees to encourage motivation and engagement.

Employee Inflow								
Number of people	2023				2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	5	10	2	17	0	8	0	8
Women	2	3	1	6	1	3	0	4
Total	7	13	3	23	1	11	0	12

Table 3b – Total number of new hires by gender and age group (GRI 401-1)

Employee Outflow								
Number of people	2023				2022			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	0	5	0	5	0	1	0	1
Women	0	1	1	2	0	1	0	1
Total	0	6	1	7	0	2	0	2

Table 4 – Total number of employees exits by gender and age group (GRI 401-1)

In compliance with legal obligations regarding employee involvement in organizational restructuring processes, the notice period for changes in shifts or working hours is defined in specific terms by the National Collective Labor Agreement for Energy and Oil.

Employee evaluation and compensation

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

The remuneration of SGI employees is based on criteria that consider professionalism, the role held, and the results achieved, with the aim of maintaining a highly competitive compensation structure in line with relevant market standards. The definition and updating of salaries follow clear, fair, and transparent methods, in compliance with ethical principles and contractual regulations. For members of the Board of Directors, fixed compensation is established and approved quarterly by the Shareholders' Meeting.

In addition to a Productivity Bonus, which reflects company profitability and productivity, measured against targets agreed upon with trade union representatives—SGI has adopted an annual incentive system for all employees starting in 2024. For Executives, compensation consists of a fixed component, in accordance with the National Collective Labour Agreement (CCNL) for Executives in the industry, and a variable component (Management by Objectives, MBO), which is performance-based and approved by the Board of Directors.

Managers, as well as some employees in key roles or with significant responsibilities, receive a fixed salary as defined by Energy and Oil CCNL, and may also be eligible for a variable MBO component based on the achievement of individual annual objectives.

The goal setting and evaluation system (MBO) includes parameters related to sustainability, employee development, and financial impacts. All evaluation processes are formalized and include regular feedback and communication between managers and staff to gather valuable input for defining actions aimed at employee development and recognition.

SGI calculated the ratio between the highest salary paid within the organization and the median of the overall compensation of all employees, which as of December 31, 2024, stood at 19.85.

In line with its commitment to transparency and gender equality, SGI also calculated the ratio between the average base salary and overall average compensation* of women compared to men for each professional category in 2024, with the relevant details provided below.

** Employee total compensation for 2024 was calculated by including both the fixed and variable components of pay, comprising: MBO, individual performance bonuses, productivity bonuses, and LTI (Long-Term Incentives), where applicable.*

Ratio of average base salary between females and males		
Base salary	2023	2024
	Female to Male Ratio	Female to Male Ratio
Executives	n.a.	n.a.
Managers	84%	85%
Employees	89%	91%
Laborers	n.a.	n.a.

Ratio of average total compensation between females and males		
Total Compensation	2023	2022
	Female to Male Ratio	Female to Male Ratio
Executives	n.a.	n.a.
Managers	99%	105%
Employees	90%	92%
Laborers	n.a.	n.a.

Table 5 -Ratio of base salary to total compensation for women compared to men (GRI 405-2)

Employee evaluation process

GRI 404-3
With a view to continuous improvement and with the goal of more broadly recognizing the contribution of each employee, starting in 2024 the company has decided to implement a more inclusive compensation policy by extending the distribution of variable bonuses to all organizational levels. As a result, the ratio between personnel costs and distributed variable bonuses is increasing, reaching 12% in 2024. This reflects a compensation system that values performance and demonstrates the company's commitment to the growth and well-being of its employees.
The process enables the Company to plan, manage, and monitor both the quantitative (results) and qualitative (skills and behaviors) contributions each employee makes in relation to their role and assigned responsibilities, in pursuit of the company's strategic objectives.

The systematic evaluation of performance enables SGI to achieve several key benefits:

a) For Managers, it allows them to:
- Clearly define objectives and responsibilities, aligning expected results accordingly;
- Structure a process for planning, monitoring, and reviewing team members' performance;
- Rely on transparent and shared rules for managing and developing resources based on individual contributions to their Unit or Division's results.

b) For Employees, it provides the opportunity to:
- Fully understand the value of their contribution to achieving company objectives;
- Reduce uncertainty regarding key goals and personal responsibilities, making daily work more tangible;
- Develop greater awareness of their strengths and areas for improvement, receiving regular feedback from their manager and setting concrete actions for performance enhancement;
- Strengthen their sense of belonging and trust in the Company by actively participating in a transparent and well-communicated goal-setting process.

Performance evaluation is carried out through ongoing dialogue between Manager and Employee, under the supervision of the Performance and Development Validation Committee.

The process begins with performance planning, where expected outcomes and areas for skills improvement are defined. Throughout the year, performance is continuously monitored and feedback is regularly provided, with two formal review meetings between Manager and Employee to assess progress. The final evaluation focuses on results achieved and the improvement of each Employee's competencies.
This process distinguishes employees into two categories:
* Those included in the *MBO (Management By Objectives)* system (functional managers);
* Those included in the *SSP (Performance Development System)*, who hold roles with a direct, though more limited, impact on the company's macro-processes.

Further details can be found in Tables 32 and 33 in the annex.

Corporate Welfare

GRI 401-2
SGI promotes a structured corporate welfare program aimed at improving employee well-being while also supporting their professional growth. This program reflects SGI's values and emphasizes the importance of people as a central resource in achieving the Company's strategic goals. To this end, SGI offers a range of benefits designed to address various personal and professional needs in a tangible way.
Some benefits are mandated by the applicable National Collective Labour Agreement (CCNL), including:
- Supplementary health insurance (FASIE);
- A supplementary pension fund (Fondenergia);
- The productivity bonus.

In addition to these contractual benefits, SGI has introduced further advantages to offer concrete support to its employees. For example:
- Specialist medical checkups—with a particular focus on women's health;
- Parental leave for childbirth;
- Time off for medical or personal needs;
- Leave for children's school orientation;
- School grants;
- Optional medical checkups.

Another aspect of SGI's welfare policy includes specific Welfare Plans for employees (excluding Executives). The "On Top Plan" serves as the base plan for all employees. The "Productivity Bonus Conversion Plan" (PdR) allows employees to convert all or part of their productivity bonus into welfare benefits, enabling greater personalization. Finally, the "Incentive Plan" is available for employees who choose to allocate their entire productivity bonus to welfare.
In addition, SGI provides other benefits to all or selected employees, such as:
- Life, accident, and disability insurance;
- Meal vouchers (above average in value);
- Company laptops and mobile phones;
- company cars for certain positions.

All these tools are designed to enhance employees' sense of belonging and overall well-being, demonstrating that attention to their needs is a key driver of both employee satisfaction and the Company's success.

Sustainability Report | *SGI and its people*

Employee development and valorization

SGI offers tailored development pathways for each employee, with the aim of refining skills and knowledge that are essential for navigating an evolving work environment. The Company addresses the professional expectations of its workforce by adopting a process that identifies growth opportunities based on both individual training needs and the competencies required by the business. This process also considers additional tools such as incentives, career advancement opportunities, and potential salary increases.

In parallel, SGI fosters a culture of collaboration and open dialogue, encouraging clear and consistent communication within teams. The Company promotes cooperative work across various departments and areas, ensuring that every team member considers the impact of their actions on the goals and activities of others to contribute synergistically to overall success.

Team building activities are highly valued as they help strengthen collaboration and dialogue among employees.

Key events include:

The July 2024 Company Day in Subiaco, which featured a rafting activity

December 2024 Company Day in Rome, with a visit to the Ara Pacis, combining culture with team cohesion

The Safety Day in December 2024 which raised awareness of workplace safety

The July 2024 Safety Day with contractors and subcontractors, which extended the focus on safety to external partners as well

Upskilling and reskilling of SGI's employees

GRI 404-1, 404-2

"We support professional growth through training and development plans tailored to one's knowledge and skills. We spur individuals to believe in themselves, enhancing and perfecting their skills."

Training plays a key role not only in consolidating and expanding professional skills, but also in developing a strong awareness among employees about corporate goals and sustainability strategies. In 2024, SGI invested more than 3,500 hours in training for its employees, with an average of 40 hours of learning per employee.
Special attention was paid to health, safety, and environment (HSE) issues, with 1450 hours of mandatory training to ensure that all employees are adequately prepared to comply with regulations and contribute to the sustainability of the organization.

SGI has allocated a specific internal budget for training, supplemented by external funds made available through "Fondimpresa" and "Fondir." Training needs are identified by the HR function, which gathers needs from the various business areas to reduce skills gaps. With the support of corporate HR functions, it selects employees who need training and identifies the most suitable providers to deliver the courses.

Training at SGI covers both technical skills related to specific tasks, and soft skills, such as language, computer and managerial skills. The training paths are diverse and include classroom, e-learning, self-study and experiential modes, thus ensuring a full range of opportunities tailored to different needs. In 2024, in addition to the compulsory courses, specialized courses such as the 35-hour "Project Management" course for clerks and middle managers, the 40-hour "Cathodic Protection Technician Course 1st Level" course for clerks and blue-collar workers, and the "Leadership - Sustainable Results Sustainable Results" of 50 hours for clerks and middle managers.

Training Hours by professional category and gender

Training Hours	2024					
	NO. Hours male	NO. hours pro-capite male	NO. Hours female	NO. hours pro-capite female	NO. Hours Totals	NO. hours pro-capite
Executives	134	7	-	-	134	7
Managers	457	7	303	8	759	15
Employees	1.306	6	592	6	1.879	12
Workers	744	7	-	-	744	7
Total	**2.640**	**27**	**894**	**14**	**3.534**	**40**

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
Open dialogue and exchange of opinions are an integral part of SGI's corporate culture, which has always been committed to creating an environment in which everyone can freely express his or her ideas with the certainty of being heard and respected. The Company puts the protection of people's moral integrity and respect for their fundamental rights first, promoting equal opportunities for all and ensuring a climate of maximum inclusiveness. SGI recognizes that an inclusive and safe environment is a crucial factor in stimulating the development of the company's and each employee's potential, creating fertile ground for individual and collective growth.

To foster this spirit of sharing and participation, the Company promotes monthly all-hands, meetings in which all employees can express opinions, suggestions and reflections. The meetings not only allow for the collection of useful feedback but also help foster a climate in which diversity of perspectives is seen as an enriching resource that fosters growth and collective success.

At the same time, SGI strongly condemns and combats all forms of discrimination, whether related to political, religious, racial, nationalistic, generational, sexual, health-related, or any other personal characteristic.

The Company is committed to ensuring that every employee can work in an environment free of bias or discrimination. Importantly, during 2024 SGI recorded no incidents of discrimination or human rights violations, reflecting its commitment to ensuring a fair and respectful work environment for all.

SGI initiatives to promote Diversity & Inclusion

GRI 401-3
SGI firmly believes that diversity represents a fundamental resource and an inexhaustible source of innovation. For this reason, it values the diverse experiences and perspectives of everyone, promoting meetings dedicated to *Diversity & Inclusion and Gender Equality*.

As evidence of this, in early 2024 SGI obtained from KIWA CERMET the certificate attesting the compliance of its Gender Equality Management System with the UNI/PdR 125:2022 standard.

The result confirms the Company's willingness to promote gender inclusion within the workforce, with women now over 23% and 33% holding top positions and about 43% serving on the Board. The Company continues to aim to further increase female participation, with the goal of strengthening gender balance in leadership and decision-making processes.

SGI's goal is to create an inclusive culture that fosters gender equality in all business processes, while also promoting better reconciliation of professional and personal life.

In the Three-Year Strategic Plan 2024-2026, the Company has provided for the establishment of a committee chaired by the CEO to approve and monitor the implementation of the gender equality strategy. Planned actions include specific training programs on gender equality issues for all stakeholders and the Company's supply chain.

Sensitive to social sustainability, SGI has activated flexibility policies to support its employees, offering flexible working hours and welfare plans designed for the well-being of individuals and families.

SGI ensures job protection mechanisms and maintenance of the same salary level during the post-maternity period, in line with parental leave policies. The Company recognizes the right of all employees to take parental leave: in 2024 four workers benefited from this opportunity equally divided between men and women.

Parental leave			
Number of people	**Male**	**Female**	**Total**
Employees who took parental leave in 2024	2	2	4
still on leave	0	0	0
returned and still employed	2	2	4
of which resigned	0	0	0
Return-to-work rate	**100%**	**100%**	
Retention rate	**100%**	**100%**	
Employees who took parental leave in 2023	1	1	2
still on leave	0	0	0
returned and still employed	1	1	2
of which resigned	0	0	0
Return-to-work rate	**100%**	**100%**	
Retention rate	**100%**	**100%**	

Table 7 – Parental Leave (401-3)

Number of employees who received permissions		
Number of people	**2023**	**2024**
	Total	Total
Mandatory and optional parental leave (including breastfeeding) and childcare	2	4
Study	0	1
Other (e.g: Law 104)	14	12
Total	**16**	**17**

Table 8 – Number of employees who received leave, categorized by reason

SGI integrates Diversity & Inclusion policies into its risk management model, through which it provides for their periodic evaluation (at least annually) with specific metrics and defines action plans, fully integrated into the broader corporate sustainability strategy.

Programs related to the topic are monitored through indicators developed annually in line with the corporate sustainability plan. SGI also verifies the effectiveness of the adopted approach with specific listening initiatives aimed at the company population.

All employees who took leave during 2024 were reported within the table, understood as:
- Parental leave "Optional period of abstention from work granted to male and female workers to take care of their child in its first years of life and meet its emotional and relational needs."
- Paternity leave "Period of abstention from work granted to working fathers lasting 10 days, usable in the time span from 2 months before the presumed date of delivery to 5 months after it, both in case of birth and perinatal death of the child."
- Maternity leave "Obligatory abstention from work for the worker from two months before the presumed date of childbirth, until three months after (however, there is the possibility of abstaining at a time prior to the two months before the presumed date of childbirth - under certain health conditions of the worker - or the month before the presumed date of childbirth and the four months after it), with the right to 80% of pay."

Employee health, safety and well-being

The Company adopts a systematic approach to health and safety management that is based on continuous, open and transparent communication aimed at all internal staff and workers in contractors and subcontractors (management, supervisors, workers). In this context, SGI encourages a proactive attitude geared toward reinforcing the fundamental principle that **safety can never be compromised**.

By adopting strict processes and procedures, the Company aims to minimize risks, prevent accidents and ensure a safe working environment for all. The goal is to protect the health of personnel and all people working in its plants and offices.

SGI strictly complies with current health, safety and environmental regulations, developing and communicating clear guidelines for managing its operations. It also promotes the active participation of employees in preventing risks and protecting health and safety not only for themselves but also for colleagues and third parties involved.

The employee Health and Safety management system

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

Since 2014, the Company has voluntarily adopted an **Occupational Health and Safety Management System** certified according to the ISO 45001 standard, which covers all company sites, business processes, and employees. This System enables SGI to manage workplace risks systematically and proactively by promptly identifying hazards and implementing corrective actions before they can cause harm.

To ensure continuous safety improvement, SGI has implemented several operational practices, such as periodic interviews with employees to collect reports, on-site inspections, and analysis of "near misses," all regulated by a specific reporting procedure.

Employee health surveillance is entrusted to an external Occupational Health Physician who conducts regular medical checkups for all workers. In addition to mandatory examinations, the Company offers the opportunity to undergo voluntary medical checkups, such as blood tests, eye exams, and preventive screenings, particularly for female employees.

To ensure active employee participation in safety management, SGI maintains ongoing dialogue with the Workers' Safety Representative (RLS), discussing existing workplace risks and planning corrective actions. The monthly “All Hands” meetings serve as an important platform to raise awareness and provide training for workers. Additionally, the Health and Safety Committee—comprising management, employee representatives, and the RLS—meets annually to assess risks and plan preventive measures.

To further promote engagement and best practices, SGI has introduced an anonymous reporting system via Google, allowing employees to submit improvement suggestions, questions, or reports of hazardous situations.

As part of its ongoing commitment to workplace safety, in 2024 SGI delivered approximately 1,450 hours of mandatory health and safety training to its employees, reaffirming its dedication to continuous risk prevention and education.

Accidents at the workplace

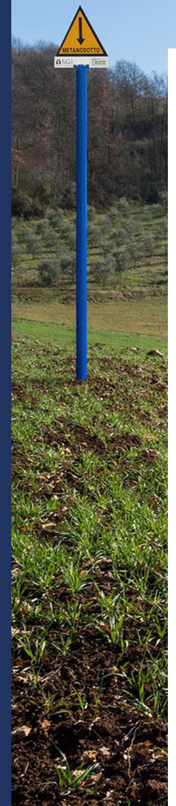
GRI 403-9, 403-10
As in 2023, no work-related injuries or occupational illnesses were recorded among employees in 2024. Consequently, the injury and occupational illness rates for employees remained at zero.

Regarding non-employee workers, no injuries were reported in 2024, allowing SGI to once again achieve its “Zero Accidents on Construction Sites” target. Additionally, no occupational illnesses were reported, despite a total of 333,775 hours worked on construction sites by contracted companies.

To minimize the risk of workplace accidents, SGI is implementing a cultural shift aimed at training employees, clearly identifying the roles and responsibilities in safety management, and promoting a mindset change. Detailed information on injury rates and hours worked by employees in 2024 can be found in the attached tables.

In 2024, SGI launched several initiatives, including:

- #SafetyDay, aimed at raising awareness of the importance of workplace injury prevention. The event, organized by SGI, was held in Frosinone under the patronage of the Municipality of Frosinone, the Frosinone Local Health Authority, and the National Association of Injured Workers (ANMIL). It featured discussions with public institutions and industry experts, testimonies from workplace accident victims, and artistic performances;
- Two driver safety training sessions held at the ACI Vallelunga racetrack;
- One training session for all workers on the legal risks associated with road accidents;
- Two awareness sessions for all employees as part of an anti-smoking campaign, conducted by a chief physician.



SGI’s Value Chain

GRESB

11 SUSTAINABLE CITIES AND COMMUNITIES

100% suppliers assessed using social and environmental criteria

Donations to associations

Save the Children

unicef

72% economic value generated and distributed by stakeholders

The involvement and integration of all actors in the value chain within corporate processes enables the creation of strong relationships based on responsible and informed collaboration, supporting SGI’s achievement of its sustainability goals. Enhancing technological efficiency is pursued through the optimization of asset safety, reliability, and sustainability, while also emphasizing the importance of developing technological skills throughout the entire value chain, always in accordance with the Company’s ethical and social principles.

SGI places great emphasis on promoting social responsibility practices among both suppliers and customers, ensuring that human rights are respected across the entire value chain. This commitment is a cornerstone of the Company’s strategy and is implemented through training and awareness-raising initiatives. The goal is to improve reliability and safety, promote emissions reduction, and encourage the adoption of innovative solutions, thereby contributing to the development of sustainable business practices.

SGI's Supply Chain

GRI 204-1, 308-1, 308-1, 414-1,414-2, 407-1, 408-1, 409-1
SGI's supplier selection process is the result of a thorough evaluation that considers several key aspects, including ESG (Environmental, Social, and Governance) performance, product quality, innovation, cost competitiveness, service efficiency, and the ability to ensure continuity of supply. This approach ensures that supplier relationships not only meet business needs and contribute to the achievement of SGI's sustainability objectives for the benefit of all stakeholders, but also foster the development of strong, transparent, and collaborative partnerships across the entire value chain.

The assessment of ESG performance allows for ongoing monitoring of risks and opportunities, with a particular focus on social sustainability. More than just a control mechanism, it serves as a strategic tool to identify areas for improvement and guide suppliers toward increasingly sustainable practices. In this context, SGI ensures that its supply chain adheres to essential principles such as respect for workers' rights to freedom of association and collective bargaining, and is free from any form of child labor, forced labor, or compulsory labor. Every supplier is required not only to meet high-quality standards but also to provide safe working conditions, protect employees' health, and commit to environmental sustainability. This focus on ethical and environmental responsibility is essential to addressing the challenges of a global market that increasingly seeks a balance between economic competitiveness and respect for people and the planet.

SGI's responsible procurement approach also guides the Company, whenever possible, to select Italian companies that offer high standards of quality, reliability, and cost-effectiveness. SGI favors local suppliers located near construction sites to optimize logistics, reduce delivery times, and support the local economy. A concrete example of this commitment is the renovation of SGI's operations center in Frosinone, for which the Company exclusively selected suppliers from the Lazio region, ensuring greater efficiency in supply management while actively contributing to the development of the local economic fabric.
In line with this policy, in 2024 approximately 80% of the Company's operating expenditures were allocated to Italian suppliers, demonstrating a tangible commitment to promoting Made in Italy and supporting national enterprises.

Sustainability Report | *SGI's Value Chain*

Supplier Selection Process

The management of the entire supplier qualification and monitoring process, including the creation and updating of the Company's Supplier Register, is entrusted to the Procurement Function (APPR).

The qualification process follows a series of sequential steps and applies to various types of suppliers, including individual companies, consortia, cooperatives, and firms specializing in consulting and/or training.

Candidate selection and evaluation are based on clearly defined criteria, including:

- **Economic and financial reliability**
- **Management capacity**
- **Organizational capacity**
- **Compliance with applicable regulations**
- **Technical capacity**
- **Health, safety, environmental, and quality requirements, including injury indices**
- **Product quality and technology**
- **Reputational check (criminal record/ absence of pending charges/ anti-mafia..)**
- **ESG criteria**

To obtain qualifications, each supplier candidate must successfully pass evaluation by all SGI functions involved in the process. To ensure a high level of specialization in the selection process, SGI's areas of interest are divided into three macro-categories—goods, works, and services—each with a different level of criticality and specific qualification requirements:

- **High impact works, goods, and services** that significantly influence SGI's performance;
- **Medium-impact work, goods,** and services with a moderate influence on business performance;
- **Low-impact works, goods,** and services with a limited effect on SGI's operations.

Depending on the assigned criticality level, the supplier selection and evaluation process includes different criteria and in-depth assessments. To qualify for a specific product or service category, candidates must successfully complete all stages of the procedure, which are adapted according to the criticality level. These stages include:

- **Registration in the SGI system**
- **General documentation-based evaluation**
- **Technical specialist documentary - based evaluation**
- **ESG performance assessment**
- **Audit of managerial, financial, technical, production, organizational, and ethical capacity**

Regarding ESG performance, the Procurement Function submits a preliminary "Sustainability Questionnaire" to all candidates. This questionnaire collects information and evidence on key areas such as business ethics and integrity, social responsibility, occupational health and safety, and environmental management, thus enabling a structured monitoring of ESG indicators across the supply chain.

SGI also performs regular and systematic monitoring of the performance of already qualified suppliers listed in its register, ensuring a traceable process that allows the identification of improvement areas, promotes qualitative growth, and guarantees that collected data are objective, accessible, and comparable.

The main evaluation elements include:

Quality

The supplier's ability to meet contractual obligations, technical requirements, and regulations related to health, worker safety, and environmental protection, based on audit results.

Timeliness

The supplier's ability to meet contractual delivery times for goods and/or services.

Behavior

The supplier's ability to collaborate with involved parties, managing relationships ethically and professionally, adopting a flexible approach from an organizational, operational, and management perspective, and implementing contingency plans before, during, and after the contractual relationship.

ESG Performance

The supplier's ability to operate according to sustainability criteria, both internally and in its relationships with customers and suppliers.

New suppliers		
Number of suppliers	**2023**	**2024**
New Suppliers Assessed Based on Social and Environmental Criteria	9	9
Total new suppliers	9	9
Total percentage	**100%**	**100%**

Table 9 – Percentage of new suppliers 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	**2023**		**2024**	
	N.	%	N.	%
Suppliers Assessed for Social and Environmental Impacts	9	100%	34	100%
Suppliers Identified with Significant Actual or Potential Negative Social Impacts	0	0%	0	0%
[of which] Suppliers with Agreed Improvements as a Result of the Assessment	0	0%	0	0%
[of which] Suppliers with Terminated Contracts as a Result of the Assessment	0	0%	0	0%

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

For all services related to environmental management—such as waste treatment, discharge management, emissions, and dust control, SGI relies exclusively on suppliers who are properly authorized or hold the necessary qualifications. To strengthen this commitment and ensure compliance with regulations, SGI contractually requires the adoption of specific regulations, procedures, and operational methods, such as the Environmental Management Operational Plan and Environmental Guidelines, verifying their implementation through dedicated audits. Additionally, since 2019, SGI has introduced an incentive-based system in the evaluation of bids, which became standard practice in 2020.
Suppliers are required to meet the following criteria:

Environmental certifications
such as ISO 14001 and EMAS, which demonstrate responsible management of environmental impacts

Innovative technical solutions
to reduce the environmental impact of activities, both during the design and execution phases

Estimation of CO_2e
equivalent emissions during the execution of activities

Since 2020, SGI has implemented the "Sustainable Construction Site Management" procedure, which enables suppliers to monitor and manage all key environmental aspects of the construction site in an integrated manner, including emissions, waste management, energy consumption, and the protection of habitat and biodiversity, in addition to social and governance aspects.

Customer-Centered Approach

SGI meets the needs of its customers by ensuring high quality standards for products and services, combining economic competitiveness with full compliance with regulations governing fair competition and market equity. Customer centrality drives every strategic decision, with a focus on both current clients and potential future ones.

SGI's goal is to understand and anticipate customer needs, creating value in the short, medium, and long term through high-quality services. To achieve this, SGI collects feedback, conducts market research, and engages in direct interactions with customers, maintaining a constant commitment to monitoring and improving customer satisfaction. Customer needs are also met through innovative and sustainable solutions, prompt assistance, and continuous support, thereby fostering long-lasting relationships. A concrete example of this commitment is the direct communication channel "SOS Gas Emergency" at the toll-free number 800.182.782, available for reporting gas leaks, malfunctions, or service disruptions.

To ensure continuous improvement in customer satisfaction, SGI sets clear and concrete objectives, including:

- Reducing the number of technical and logistical complaints;
- Increasing responsiveness in managing issues;
- Continuously monitoring customer satisfaction.

Brand Reputation

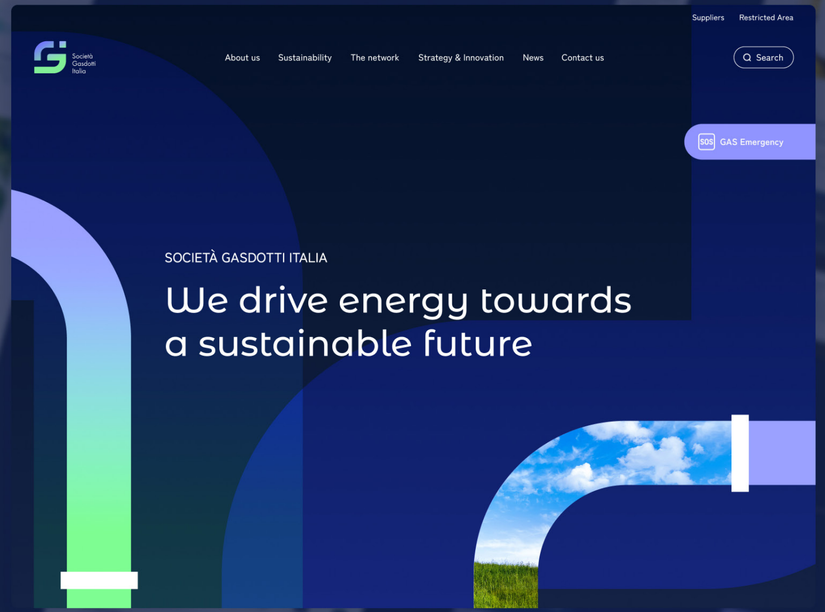
SGI considers a responsible and sustainable Brand Identity to be a strategic element for the long-term success of the company. Thanks to the strength and consistency of its identity, the company has been able to consistently deliver high-quality services, creating a positive economic impact for stakeholders and playing a key role in the growth and evolution of its business. For this reason, SGI has adopted all necessary measures to ensure that its services meet the highest ethical, social, and legal standards, with the goal of preventing and minimizing any potential negative impact on human rights, the environment, and the economy.

In line with this commitment, SGI completed a rebranding project in May 2024, aimed at strengthening the company's visibility and recognizability both nationally and globally. Aware of the central role communication plays in business success, SGI invested resources in launching a new logo, redesigning its website, and renewing its social media channels, updating both its visual identity and communication style. The new brand, characterized by a modern and functional design, fully embodies the values that guide the company: sustainability, innovation, responsibility, and closeness to people. It reflects the organization's evolution and strategic vision, enhancing internal sense of belonging and external recognizability, with the goal of authentically representing SGI's role in the energy transition and in the country's social and economic fabric. At the same time, the communication strategy was redefined to ensure greater consistency, transparency, and engagement in relationships with clients, partners, and stakeholders.

Sustainability Report | *SGI's Value Chain*

Società Gasdotti Italia s.p.a.

Società Gasdotti Italia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SOS GAS Emergency
SOCIETÀ GASDOTTI ITALIA
We drive energy towards a sustainable future

Relationships with Local Communities

GRI 203-1, 203-2, 411-1, 413-1, 413-2
The Company monitors and assesses the economic, environmental, and social impacts of its activities with the goal of maintaining an ongoing and constructive dialogue with local communities and all involved stakeholders. Engaging stakeholders from the early stages of planning and throughout the implementation of operations allows SGI to understand the expectations and needs of the community and to proactively manage any potential impacts.

In the second quarter of 2024, SGI promoted the involvement of local communities by organizing meetings with the regions of Sardinia, Marche, Molise, Apulia, and Abruzzo, as well as with various institutions, including the Ministry of the Environment and Energy Security (MASE) and the Regulatory Authority for Energy, Networks and Environment (ARERA). These efforts included the launch of development programs and the implementation of preliminary impact assessments. Direct dialogue with stakeholders, particularly during the installation and development of the gas transportation network, proved essential for gathering feedback and addressing individual needs by offering solutions such as contributions, compensations, or project modifications, where feasible.

To mitigate the impacts associated with network construction, SGI adopts targeted strategies, including minimizing the duration of temporary land occupation and restoring habitats to conditions similar to those prior to the works. Additionally, to reduce heavy vehicle traffic and the resulting greenhouse gas emissions, the Company has implemented a Traffic Plan for construction areas, favoring the use of low-impact vehicles.

SGI has strong roots in the territories in which it operates and actively collaborates with local institutions to promote awareness about natural gas transportation and to highlight the opportunities created by its activities. Among the initiatives supported are the funding of cultural projects and the organization of exhibitions featuring archaeological artifacts discovered during construction work.

In 2024, no violations of indigenous peoples' rights or significant impacts on local communities affected by the Company's operations were reported.

Economic Value Generated- and distributed by SGI

GRI 201-1, 413-2
SGI supports the economic development of the regions in which it operates, fostering growth through its activities. The value generated is shared among its stakeholders, as demonstrated by the figures reported in the "Generated and Distributed Economic Value" statement outlined below:

Economic value generated, distributed and retained [6]		
Income statements items	**2023**	**2024**
Value generated	**153,87**	**161,06**
Sales Revenue	145,02	152,68
Increased in fixed assets, other revenues, and financial income [7]	5,53	8,38
Value distributed	**124,54**	**116,07**
Operating costs	80,15	69,33
Salaries and employees benefits	6,01	8,41
Payments to financiers	29,5	25,01
Payments to the public administration [8]	8,88	13,30
Retained economic value	**26,01**	**44,99**

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

In 2024, the economic value generated by SGI amounted to €161.0 million, marking a 7% increase compared to the previous year—an achievement that reflects the Company's solid growth trajectory, made possible also by investments undertaken in recent years.

72% of the value created equivalent to €116.0 million was distributed among stakeholders as follows:
- 60% to suppliers;
- 7% to employees;
- 22% to lenders;
- 11% to Public Administration.

Overall, the economic value distributed in 2024 was 10% lower than the previous year, due to the increase in value generated and a reduction in operating costs.

Data analysis shows that operating costs—accounting for 43% of the value distributed by the Company—are largely tied to SGI's *core activities*: transportation, dispatching, and metering. This confirms the Company's ongoing investment in the maintenance, development, and strengthening of the gas transmission network.

In line with its ten-year development plan, SGI completed several infrastructure projects in 2024 aimed at enhancing the transmission network, including national and regional first-class gas pipelines. These projects, made possible by sustained investments and expenditures, have actively contributed to the development of local communities and economies.

[6] *The figures reported in the table are expressed in millions/€.*
[7] *The Value includes increases in fixed assets, other revenues and income, and other financial income*
[8] *Payments to the public administration include current income taxes for the year.*

Key completed projects include:
- Gas Pipeline Lucera-San Paolo
Gas injection was completed on the first 20 km section.
The project consists of DN 300 pipelines interconnected with existing lines along the Larino–Reggente axis and is designed to meet connection needs in the northeast Apulia area. The pipeline will serve the Capitanata area—currently not covered by the gas network—and will enable the connection of CNG supply plants and biogas production facilities currently under development in the region.
- Methan pipeline Larino-Montagano Lotto 1 Tronco 2
This project, divided into three segments, is part of the ten-year plan to rebuild parts of the Larino–Colleferro Sora pipeline, specifically the Larino to Montagano section. In 2024, approximately 8 km of pipeline were completed. The project also included a reforestation initiative involving the planting of around 2,000 new trees (see photo below).
- Maintenance Works on the SGI Frosinone Industrial Hub -Klopman
This intervention involved DN 200 pipelines over a length of approximately 3.5 km and consisted of the reconstruction of the connector line in the Frosinone Industrial Area, from the Faito cabin to the Klopman connection point, in the municipalities of Frosinone and Ceccano.

Community Initiatives

GRI 202-2
SGI recognizes the importance of local employment as a driver of economic and social development for the communities in which it operates. However, the current regulatory framework—particularly the Public Procurement Code—places restrictions that prevent the Company from setting specific targets for hiring local personnel. Despite these limitations, SGI is committed, whenever possible, to promote the employment of local workers and contractors, and continuously monitors employment levels in the areas where it operates.
Below is the percentage of senior managers hired from within the local community:

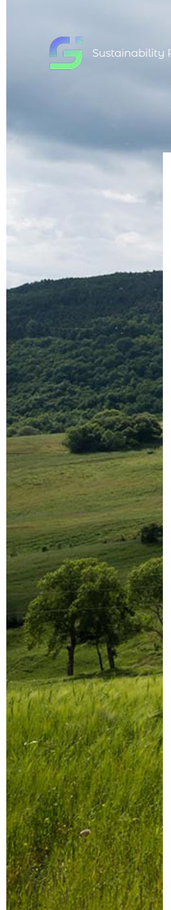
Percentage of Senior Managers Hired from the Local Community						
N. of People	**2023**			**2024**		
	Men	Women	**Total**	Men	Women	**Total**
Senior manager	4	0	**4**	1	0	**1**
Senior manager Hired from the Local Community	3	0	**3**	1	0	**1**
Percentage of Senior Managers Hired from the Local Community	**75%**	**-**	**75%**	**100%**	**-**	**100%**

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

SGI fosters collaboration with local organizations engaged in Creating Shared Value and generating social benefits for the community. Each year, SGI employees select charitable initiatives to support by allocating contributions to associations and foundations at both local and national levels.

In the second half of 2024, SGI supported two major solidarity initiatives: contributing to the purchase of food packages for Save the Children to support children and families in need and donating funds to UNICEF (United Nations International Children's Emergency Fund), thereby reinforcing its commitment to child protection and ensuring a better future for the most vulnerable.

Save the Children unicef



Environmental Protection

Protecting the environment means investing financial and human resources to minimize the impact of one's activities and to preserve natural resources as much as possible, for the benefit of present and future generations.

These are actions SGI carry out daily, and through its strategy, they align with the current global energy transition process. The most tangible demonstration of this commitment is the establishment of the Net Zero target, which integrates decarbonization requirements into the company's business model. Indeed, efficiency and innovation guide SGI's choices, and these values also drive the reduction of consumption and the resulting waste.

Like a virtuous "domino effect," the conscious use of resources has positive impacts on biodiversity and ecosystem protection—especially when, as SGI does, their preservation is directly integrated into project development.

Environmental Management System ISO 14001:2015

SGI develops and continuously updates its Environmental Management System in compliance with the UNI EN ISO 14001:2015 standard to ensure an organic and structured control of environmental impacts.
This voluntary system undergoes periodic audits by independent third parties to verify the company's full compliance with both applicable environmental regulations and the requirements of the standard.

As outlined in the procedure for the "Identification and Evaluation of Significant Environmental Aspects," SGI thoroughly assesses the significant environmental aspects arising from its activities by analyzing their relevant impacts.

Environmental Analysis

As a result of the above, the Environmental Analysis document aims to identify:
- Direct and Indirect environmental aspects[3];
- Significant environmental aspects[4].

Through Environmental Analysis, the company obtains a comprehensive assessment of the environmental issues related to its operations, enabling the monitoring and management of "Significant Environmental Aspects."These aspects serve as the starting point for any action aimed at improving environmental performance.

The following table outlines the basic environmental aspects considered when identifying SGI's significant environmental impacts related to its operations:

[3] Environmental aspect: any element of an organization's activity, product, or service that can interact with the environment.
[4] Environmental impact: any change to the environment, whether adverse or beneficial, wholly or partially resulting from an organization's activities, products, or services.

Sustainability Report | *Environmental Protection*

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 aspects and impacts, the following activities were conducted for each operational area through site inspections and interviews:
- Identification of applicable environmental legislation to verify compliance with regulations and permits;
- Assessment of the environmental efficiency level of business activities;
- Identification of the most significant impacts to focus on for environmental performance improvement objectives;
- Estimation of the extent of environmental impacts on the territories where the company operates;
- Review of existing procedures and practices;
- An analysis of any past environmental incidents to evaluate the effectiveness of the preventive measures adopted.

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Energy Management

GRI 302-1, 302-3
SGI's total energy consumption amounted to 4,460 GJ in 2024, marking a 15% increase compared to 2023. The main reason for this rise is the higher number of business trips, which led to a significant increase in fuel consumption. Conversely, the growth in personnel did not have an impact on energy use, as electricity and gas consumption for heating office spaces decreased.

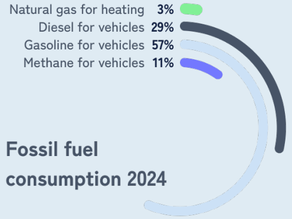
Internal energy consumption within the organization				
Energy source	**UdM**	**2023**	**2024**	**Delta %**
Total energy consumption	**GJ**	**3.878**	**4.460**	**15%**
Energy carriers for heating use	**GJ**	**366**	**58**	**-84%**
Natural Gas	GJ	366	58	-84%
Fuel for company Vehicles	**GJ**	**1.192**	**2.121**	**78%**
Diesel	GJ	284	629	121%
Gasoline	GJ	869	1.251	44%
Methane	GJ	39	241	581%
Electricity purchased from the grid	**GJ**	**2.320**	**2.281**	**-2%**
Of which purchased from renewable sources (kWh) (energy covered by guarantees of origin certificates)	GJ	1.426	2.100	47%
Of which purchased from non-renewable sources	GJ	894	181	-80%

Table 13 – Energy consumed within the organization (GRI 302-1)

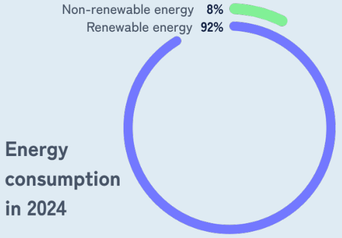
In 2024, SGI recorded fossil fuel consumption (natural gas, gasoline, diesel) of 2,179 GJ, representing 48.8% of total energy use, broken down as follows:
- 11% methane for vehicles,
- 29% diesel for vehicles,
- 3% natural gas for heating,
- 57% gasoline for vehicles.

Only 8% of the electricity purchased from the grid came from non-renewable sources, a minimal share that was reduced by 80% compared to 2023. The remaining 92% of electricity consumed came from renewable sources, as certified by the "Guarantees of Origin" accompanying the supply provided by Edison. As a result, SGI's offices, network, and facilities along with the gas pipeline grid are powered by nearly 100% green electricity. In 2024, the 15% increase in energy consumption combined with a 5% increase in sales revenue led to a 9% rise in energy intensity.

Energy intensity				
Energy intensity	**UdM**	**2023**	**2024**	**Delta %**
Sales revenues	€	145.022.300	152.687.000	5%
Energy consumed within the organization	GJ	3.878	4.460	15%
Energy Intensity	**GJ/€**	**0,000027**	**0,000029**	**9%**



Fossil fuel consumption 2024



Energy consumption in 2024

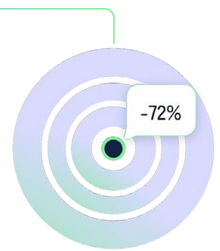
Table 14 – Energy intensity (GRI 302-3)

Greenhouse Gas Emissions (GHG)

GRI 305-1, 305-2, 305-3, 305-4, 305-7
SGI has been committed for years to combine climate change through the development of emission reduction and reforestation projects. The company has also initiated the drafting of a Net Zero Plan, which aims to eliminate greenhouse gas emissions resulting from its activities.

The preliminary Net Zero Plan is currently under validation, with the definition of clear and concrete targets. Among them, SGI aims to achieve Net Zero for Scope 1 and 2 GHG emissions by 2040, and to include Scope 3 emissions by 2050, thereby reaffirming its commitment.

The year 2021 was selected as the baseline for measurement, with a certified value of approximately 32,000 tonnes of CO_2 equivalent, verified by IMQ S.p.A. according to the UNI EN ISO 14064-1 standard. This figure provides SGI with the foundation for monitoring progress toward interim targets: a 42% emissions reduction by 2025 and a 72% reduction by 2030, following a gradual and consistent trend that takes medium- to long-term forecasts into account.



Target 2030

72% Emission reduction

The emission categories reported by SGI include direct Scope 1 emissions, related to the direct use of fossil fuels; indirect Scope 2 emissions, resulting from the use of electricity generated from fossil sources; and other indirect Scope 3 emissions, related to business-related processes and operations.

Scope 1 direct emissions in 2024 amounted to 3,098 tonnes of CO_2 equivalent, marking an 11% decrease compared to 2023. These emissions were primarily linked to fugitive emissions from gas transportation and venting, and to a lesser extent, from the use of fossil fuels for heating and transportation.

It is worth noting that, starting in 2022, SGI launched a significant initiative to measure fugitive and vented emissions to identify critical issues and leaks along the transport network. These monitoring activities led to the replacement and repair of numerous pipelines and resulted in a substantial reduction of fugitive gas emissions in 2024 (-13%).

Emissions from natural gas used for heating were also significantly reduced by 86%, dropping from 21 to 3 tonnes of CO_2 equivalent.

Direct greenhouse gas emissions (GHG) (Scope 1)				
Energy source	**UdM**	**2023**	**2024**	**Delta %**
Energy carriers for heating and production use	**tCO_2**	**21**	**3**	**-86%**
Natural gas	tCO_2	21	3	-86%
Fuel for company vehicles	**tCO_2**	**86**	**148**	**72%**
Diesel	tCO_2	63	45	-29%
Gasoline	tCO_2	21	89	322%
Methane	tCO_2	2	14	615%
Fugitive Gas emissions	**tCO_2**	**3.386**	**2.947**	**-13%**
Methane	tCO_2	3.386	2.947	-13%
Total Scope 1	**tCO_2**	**3.494**	**3.098**	**-11%**

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

Regarding Scope 2 indirect emissions related to electricity purchased from the grid, SGI applies both the "Location-Based" methodology—which considers the average CO_{2eq} emission factor of the national electricity grid—and the "Market-Based" approach, which attributes a zero CO_{2eq} emission factor for energy purchased from renewable sources.
Based on the location-based approach, a total of 142 tonnes of CO_{2eq} were generated in 2024, a 16% reduction from 2023.Under the market-based approach, a total of 26 tonnes of CO_{2eq} were recorded in 2024.

Scope 2 - Location Based				
Electricity purchased from the grid	**UdM**	**2023**	**2024**	**Delta %**
Electricity purchased from the grid	tCO_2	169	142	-16%
Total Scope 2 - Location Based	**tCO_2**	**169**	**142**	**-16%**

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

Scope 2 - Market Based				
Electricity purchased from the grid	**UdM**	**2023**	**2024**	**Delta %**
Electicity purchased from the grid (Net of GO)	tCO_2	117	27,6	-76%
Total Scope 2 - Market Based	**tCO_2**	**117**	**27,6**	**-76%**

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

In monitoring its direct and indirect emissions (Scope 1 and Scope 2 Location-Based), SGI also measures carbon intensity associated with its business activities. In 2024, SGI confirmed its positive trend, recording a 16% reduction in carbon intensity compared to 2023. This decrease is linked to increased revenues and a 12% drop in Scope 1 and Scope 2 Location-Based emissions.

Emission intensity				
Emission intensity	**UdM**	**2023**	**2024**	**Delta %**
Sales revenue	€	145.022.300	152.839.000	5%
Total emissions (Scope 1 + Scope 2 Location Based)	tCO_2	3.663	3.240	-12%
Emission intensity	**tCO_2 /€**	**0,000025**	**0,000021**	**-16%**

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

As previously mentioned, SGI also monitors indirect Scope 3 emissions, covering all applicable and significant categories related to upstream value chain activities:
- Purchased goods and services (Category 1);
- Transportation and distribution (Category 4);
- Business travel (Category 6);
- Employee commuting (Category 7).

and downstream value chain activities:
- Other emissions related to construction site activities.

Each Scope 3 category was quantified in accordance with the methodologies defined by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. For the "Purchased goods and services" category, CO_{2eq} emissions were calculated using the quantity-based methodology, which analyzes the weight of goods purchased during the year as an input.

The 2024 monitoring results show a significant increase in indirect emissions compared to the previous year. However, this is due to SGI's business model, which—based on the Strategic Development Plan and Investment Plan—may involve concentrated construction and maintenance activities on the gas network during specific years, resulting in temporary peaks in impact that would otherwise be spread out and smaller over time.

The "Purchased goods and services" category was the most impactful, with 16,372 tonnes of CO_{2eq} associated with the acquisition and transport of most of the pipelines needed for project implementation. Another relevant category is "Capital goods," mainly related to construction site activities, which generated 1,729 tonnes of CO_{2eq} in indirect emissions.On the other hand, "Fuel- and energy-related activities (not included in GRI 302-1)" had a modest impact, with emissions amounting to 132 tonnes of CO_{2eq}. Based on 2024 data, the total Scope 3 emissions amounted to 18,714 tonnes of CO_2 equivalent.

Other indirect emissions GHG (Scope 3)				
Activity	**UdM**	**2023**	**2024**	**Delta %**
Upstream	**tCO_2**	**3.657**	**18.714**	**412%**
Purchased goods and services	tCO_2	2.857	16.327	473%
Capital goods	tCO_2	380	1.729	355%
Fuel and anergy-related activities (not included elsewhere in GRI 302-1)	tCO2	210	132	-37%
Trasportation and distribution	tCO_2	76	333	338%
Business travel	tCO_2	6	8	34%
Employee commuting and teleworking	tCO_2	128	141	10%
Totale Scope 3	**tCO_2**	**3.657**	**18.714**	**412%**

To contribute to climate change mitigation by reducing its emissions impact, SGI has undertaken a series of strategic actions, including:
- Implementing processes, strategies, and investments to reduce the environmental impact of its operations and combat climate change;
- Monitoring environmental risk factors to minimize the environmental footprint of its activities;
- Investing in technological innovations that support the reduction of energy consumption and CO_{2eq} emissions, thereby contributing to climate change mitigation;
- Raising employee awareness on responsible resource use and proper waste disposal;
- Reducing work-related travel by encouraging remote working methods;
- Implementing a monitoring system to map and assess the environmental impact of its activities.

Table 19 – Other indirect GHG emissions (Scope 3) (GRI 305-3)

Climate Adaption and Resilience

GRI 201-2

SGI recognizes the alarming evolution of climate conditions and the increasing likelihood of extreme weather events. In this context, it is essential for the Company to assess the potential impact of such a phenomenon on its operations, in order to prevent and reduce the resulting damage. This also entails identifying the necessary measures to strengthen the resilience of the transportation network.

The Company also acknowledges the importance of adopting preventive measures and prompt response actions to ensure service continuity, addressing current and future threats arising from environmental disasters. In this regard, SGI has initiated the development of corporate resilience plans specifically focused on the risk of natural disasters, to identify the most effective mitigation strategies.
Among the main climate change-related risks that could significantly affect SGI's business operations, the Company has identified:

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

The mitigation actions adopted in response to the identified risks represent genuine opportunities to strengthen the organization's resilience. These actions include:
- Protection of existing infrastructure against current and future natural disaster threats;
- Construction of barriers to contain landslide phenomena;
- Installation of gabion walls to protect riverbanks from erosion;
- Construction of pile walls to support slopes and embankments;
- Installation of photovoltaic panels and backup batteries in plants to prevent power outages.

Sustainability Report | *Environmental Protection*

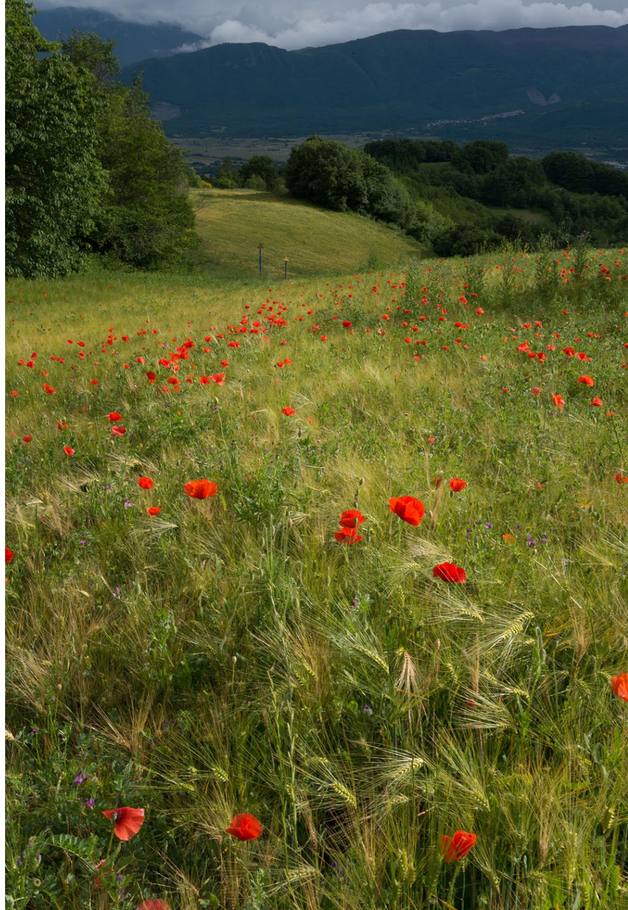
Biodiversity Protection

GRI 304-1, 304-2, 304-3, 304-4

Italy is a country particularly rich in biodiversity, and the conservation of the national natural heritage is a priority for SGI. This commitment is reflected in the full adoption of the Habitats and Birds Directives, the management of the Natura 2000 Network, and the protection of habitats and species of community interest. The results achieved stem from ongoing dialogue and collaboration with Regions, Autonomous Provinces, and all relevant stakeholders, who work daily to implement conservation and protection measures for ecosystems and their biodiversity.

In 2024, SGI reaffirmed its commitment—originally made in 2019—to monitoring habitats and biodiversity, with the aim of safeguarding the environmental components of areas affected by its projects. During the development of new infrastructure, SGI applies procedures that adhere to strict environmental compatibility and safety criteria. For the construction of the gas pipeline network, which represents the majority of its works, the route is selected from among several options in order to avoid or minimize the impact of the network's passage through urbanized areas, zones designated for new residential developments, areas of particular natural interest (such as SPAs, Natura 2000 sites, etc.), culturally or archaeologically valuable sites, and geologically unstable zones.

The construction of infrastructure follows the Environmental Impact Assessment (EIA) procedure, after which the competent authorities issue the necessary authorizations in accordance with current regulations. Once the permits are obtained, SGI designs and implements environmental protection measures to restore the ecological value of the affected areas, adopting specific actions for natural recovery.



Already during the design phase, SGI conducts field studies to gain an in-depth understanding of the territory, examining faunal, botanical, and soil parameters to avoid negative impacts on local vegetation, water resources, and ecosystems. These activities are carried out by a highly qualified team composed of engineers, surveyors, geologists, agronomists, forestry experts, and naturalists, who analyze the territory to identify the best possible solution. The results of these surveys guide the design choices, enabling the minimization of biodiversity impacts, especially during the construction phase, and facilitating environmental restoration and monitoring actions conducted in collaboration with the competent authorities.
SGI continuously monitors its activities in order to reduce the risk of adverse effects on the habitats crossed, whether protected areas or zones with high biodiversity value.
Below are the main initiatives undertaken to protect, restore, or maintain habitats that could be affected by the Company's operations.

Habitat protected	Approximately 17 hectares of protected habitat were safeguarded thanks to the adoption of trenchless methodologies.
Habitat restored	In 2024, SGI implemented a project for the replanting of olive trees located along the construction path of the Larino–Montagano pipeline replacement. The project involved the removal and subsequent replanting of the olive trees in a different location within the same property. This initiative resulted in the "rescue" of approximately 95% of the olive trees. The process was carried out in accordance with procedures and techniques established by agronomic standards, including monitoring of vegetation recovery and restoration. As of today, the project has achieved a 100% replanting success rate.
	In 2024, restoration activities were carried out on areas affected by the works, for a total of 48.00 hectares of restored habitat.
Habitat manteined	In 2024, SGI continued the maintenance of previous tree planting interventions involving 6,920 trees, ensuring an estimated annual absorption of approximately 601 tCO_2, corresponding to about 12.52 hectares of planted habitat.
Habitat monitored	SGI also continued post-operam monitoring in 2024, assigning it to an external company, focusing on the soil and subsoil components of the San Marco–Recanati DN 600 (24") DP 75 bar gas pipeline.
	For in-operam monitoring of the "Larino–Chieti" pipeline, monitoring was entrusted to the companies responsible for its construction, with the support of the Works Supervision team and specialized technicians. Attachments include: • Noise Monitoring: Predictive acoustic assessment report for the "Larino–Chieti" pipeline • Water Monitoring (testing phase): Test water analysis report • Groundwater Monitoring: Groundwater monitoring report • Backfilling Monitoring: Quality control reports for the pipeline backfilling phase
	• In 2024, between post-operam and in-operam monitoring activities, a total of 132.24 hectares of habitat were monitored.

It should be noted that no incidents were recorded during the 2023 and 2024 monitoring activities related to the maintenance and construction of new gas pipelines.

Type	Number
Environmental incidents	**0**
Flora-related incidents	**0**
Fauna related incidents	**0**
Habitat removed	**0**
Protected habitat	**17,37 Ha**
Restored habitat	**48 Ha**
Monitored habitat	**132,24 Ha**
Maintained habitat	**26,85 Ha**

Table 20 – Operational sites owned, leased, or managed in protected areas and in areas of high biodiversity value outside protected areas or adjacent to such areas (GRI 304-1)

Water Use for Network Testing

In 2024, water usage was primarily associated with the testing activities of the gas transmission network carried out by contractor companies.
Several gas pipelines were tested throughout the year, with specific measures implemented on a case-by-case basis to minimize water consumption—ranging from the use of surface water bodies to water managed by land reclamation consortia. In every instance, after use and consumption, most of the water was returned to its original source.

An example of this is the “Lucera – San Paolo, Lot 1” pipeline project, where approximately 19 km of DN 300 (12”) pipeline were tested. In this case, authorization was obtained for water intake and discharge from the Triolo stream. Following the necessary permitting process, chemical analysis of the water was conducted to verify its characteristics and compliance with contractual and project requirements. After hydraulic testing of the pipeline, the contractor conducted a chemical analysis of the test water through an accredited laboratory to confirm its compliance with the parameters established by Legislative Decree 152/06 and subsequent amendments. Only after receiving a compliant result and the corresponding authorization was it possible to discharge the water back into the Triolo stream. This approach enabled the avoidance of approximately 1,400 cubic meters of water consumption.

Regarding the water discharge phase into receiving bodies following testing activities, SGI works closely with the competent local authorities to ensure all operations are compliant—from the permitting process to sampling, from verifying the required regulatory and internal parameters to the actual discharge. The Company adopts prevention and risk mitigation measures through close monitoring of the operations and discharges, even after release into watercourses, ensuring that the effluents meet quality standards before being returned to the environment.

Attachments

Board members informed by anti-corruption policies and procedures

N. of people	2023	2024
Board members who have received communication	7	7
Total Board-members	**7**	**7**
% communication	**100%**	**100%**

Employees informed by anti-corruption policies and procedures

N. of people	Total	
	2023	2024
Executives who have received communication	4	4
Total Executives	**4**	**4**
% communication	**100%**	**100%**
Managers who have received communication	10	11
Total Managers	**10**	**11**
% communication	**100%**	**100%**
Employees who have received communication	39	43
Total Employees	**39**	**43**
% communication	**100%**	**100%**
Workers who have received communication	11	12
Totale Workers	**11**	**12**
% communication	**100%**	**100%**

Board Members who have received anti-corruption training

N. of people	2023	2024
Board members who have received communication	7	7
Total board members	**7**	**7**
% communication	**100%**	**100%**

Employees who have received anti-corruption training

N. of people	Total	
	2023	2024
Executives who have received communication	4	4
Total Executives	**4**	**4**
% partecipation	**100%**	**100%**
Managers who have received communication	10	11
Total Managers	**10**	**11**
% partecipation	**100%**	**100%**
Employees who have received communication	39	43
Totale Employees	**39**	**43**
% partecipation	**100%**	**100%**
Workers who have received communication	11	12
Total Workers	**11**	**12**
% partecipation	**100%**	**100%**

Business partners who have been informed about anticorruption policies and procedures

Types of business partners	N. Business partners	Total	
		2023	2024
Suppliers	Business partners who have received communication	32	41
	Total business partners	**32**	**41**
	% communication	**100%**	**100%**
Professionals/ Collaboratores	Business partners who have received communication	18	22
	Total business partners	**18**	**22**
	% communication	**100%**	**100%**

Employees by job level and age group

Percentage	2024				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0%	2,80%	2,80%	**5,60%**	0%	2%	5%	**6%**
Managers	0%	11,40%	4,30%	**15,70%**	0%	9%	5%	**14%**
Employees	10%	40,30%	11,40%	**61,70%**	9%	38%	13%	**59%**
Workers	1,40%	12,80%	2,80%	**17%**	2%	17%	2%	**20%**
Total	**11,40%**	**67,30%**	**21,30%**	**100%**	**0%**	**73%**	**27%**	**100%**

Board of directors composition

Percentage	2023				2024			
	<30	**30-50**	**>50**	**Total**	**<30**	**30-50**	**>50**	**Total**
Men	0%	14%	43%	**57%**	0%	14%	43%	**57%**
Women	0%	29%	14%	**43%**	0%	29%	14%	**43%**
Total	**0%**	**43%**	**57%**	**100%**	**0%**	**43%**	**57%**	**100%**

New Hires

Percentage	2023				2024			
	<30	**30-50**	**>50**	**Total**	**<30**	**30-50**	**>50**	**Total**
Men	100%	32%	15%	**35%**	0%	11,4%	0,0%	**11,4%**
Women	100%	27%	50%	**40%**	1,4%	4,3%	0,0%	**5,7%**
Total	**100%**	**31%**	**20%**	**36%**	**1,4%**	**15,7%**	**0,0%**	**17,1%**

Departures

Percentage	2023				2024			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Men	0%	16%	0%	**10%**	0%	1,4%	2,8%	**4,2%**
Women	0%	2%	50%	**13%**	1,4%	0,0%	0,0%	**1,4%**
Total	**0%**	**14%**	**7%**	**11%**	**1,4%**	**1,4%**	**2,8%**	**5,6%**

Number of terminations by reason

Number of terminations by reason	2023			2024		
	Men	Women	Total	Men	Women	Total
Volontary Resignations	5	1	**6**	1	1	**2**
End of Contract	0	1	**1**	0	0	**0**
Retirement	0	0	**0**	1	0	**1**
Other	0	0	**0**	1	0	**1**
Total	**5**	**2**	**7**	**3**	**1**	**4**

Employees receiving regular performance and career evaluation

Number of employees	2023							
	Men	Total Men	%	Women	Total Women	%	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%**
Total	**49**	**49**	**100%**	**15**	**15**	**100%**	**64**	**100%**

Employees receiving regular performance and career evaluation

Number of employees	2024							
	Men	Total Men	%	Women	Total Women	%	Total	%
Executives	4	4	**100%**	0	0	**-**	4	**100%**
Managers	7	7	**100%**	4	4	**100%**	11	**100%**
Employees	29	29	**100%**	13	13	**100%**	42	**100%**
Workers	13	13	**100%**	0	0	**-**	13	**100%**
Total	**53**	**53**	**100%**	**15**	**15**	**100%**	**70**	**100%**

Employee workplace Injuries		
Number of Injuries	**2023**	**2024**
Total Number of workplace injury fatalities	0	0
Total Number of workplace injuries (excluding fatalities)	0	0
Total Number of recordable workplace injuries	0	0
Workplace injury fatality rate	0	0
Rate of serious workplace (excluding fatalities)	0	0
Rate of recordable workplace injuries	0	0
Total Hours Worked	99.816	124.456

Non-Employee workplace injuries		
Number of injuries	**2023**	**2024**
Total number of workplace fatalities	0	0
Total number of serious workplace injuries (excluding fatalities)	0	0
Total Number of recordable workplace injuries	0	0
Rate of workplace fatalities	0	0
Rate of serious workplace injuries (excluding fatalities)	0	0
Rate of recordable place injuries	0	0
Total Hours Worked	37.122	333.775

Total Energy consumption within the organization				
Energy	**UdM**	**2023**	**2024**	**Delta %**
Total Energy consumption	**GJ**	**3.878**	**4.460**	**15%**
Non renewable energy	GJ	2.452	2.360	-4%
Renewable Energy	GJ	1.426	2.100	47%
% Renewable energy in Total Energy consumption	**%**	**37%**	**47%**	**28%**

Alignment table between SGI's material topics and GRI 11: Oil and Gas Sector Standard

Alignment table		
SGI material topics	**Material topics GRI 11**	
Greenhouse gas emissions (GHG)	11.1	Greenhouse Gas (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
Employee health, safety and well-being	11.9	Occupational health and safety
Employee 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

Alignment 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
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

GRI Standard / Material Aspects	Informations	Location	Omissions	
GRI 2: General information (2021)				
Organization and reporting practices				
2-1	Organizative details	SGI – who we are		
2-2	Entities included in sustainability reporting	Methodological note		
2-3	Reporting period, frequency of contacts	Methodological note		
2-4	Restatement of data	Methodological note		
2-5	External Assurance	These financial statements are not subject to external assurance		
Activities and workers				
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		

GRI Standard / Material Aspects	Informations	Location	Omissions	
Governance				
2-9	Structure and composition of the governance	Responsible governance		
2-10	Appointment and selection of the highest governing body	Responsible governance		
2-11	President of the highest governing body	Responsible governance		
2-12	Role of the highest governing body in impact management control	Responsible governance		
2-13	Delegation of responsibility for impact management	Responsible governance		
2-14	Role of the highest governing body in sustainability reporting	Responsible governance		
2-15	Conflicts of interest	Business ethics and integrity		
2-16	Communication of criticalities	Whistleblowing protocol		
2-17	Collective knowledge of the highest governing body	Responsible governance		
2-18	Performance evaluation of the highest governing body	Responsible governance		
2-19	Rules concerning remuneration	The evaluation and remuneration of employees		
2-20	Procedure for determing remuneration	The evaluation and remuneration of employees		
2-21	Annual total remuneration ratioo	The evaluation and remuneration of employees		

GRI Standard / Material Aspects	Informations	Location	Omissions	
Strategy, policies and practices				
2-22	Sustainable strategy statement	Letter to stakeholders		
2-23	Policy commitment	SGI's Sustainability Policies		
2-24	Integration of policy commitments	SGI's Sustainability Policies		
2-25	Processes carried out to remedy negative impacts	Sustainable development and business strategy		
2-26	Mechanism for requesting clarifications and raising concerns	Whistleblowing protocol		
2-27	Confirmation of compliance with laws and regulations	SGI's organizational management model		
2-28	Membership of associations	SGI's main innovation partnerships		
Stakeholder involvement				
2-29	Approach for determining material issues	Stakeholder involvement		
2-30	List of material topics	SGI's materiality analysis		
GRI 3: Management of material topics (2021)				
3-1	Process for determining material issues	SGI's Materiality analysis		
3-2	List of material topics	SGI's Materiality analysis		
Asset Integrity and critical event management				
3-3 (11.3.1, 11.8.1, 11.14.1)	Management of material themes	SGI's Materiality analysis		

GRI Standard / Material Aspects	Informations	Location	Omissions	
GRI 203: Indirect Economic Impacts (2016)				
203-1 (11.14.4)	Investment in infrastructure and supported services	Relations with local communities		
203-2 (11.14.5)	Significant indirect economic impacts	Relations with local communities		
GRI 306: Water and Waste (2016)				
306-3 (11.8.2)	Significant spills		Not applicable	
GRI 416: Customer Health and Safety (2016)				
416-1 (11.3.3)	Assessment of health and safety impacts of product and service category	SGI's commitment to managing future critical events		
416-2	Incidents of non-compliance with regard to health and safety impacts of products and services	SGI's commitment to managing future critical events		
GRI 418: Substantiated complaints regarding breaches of customer privacy and loss of customer data				
418-1	Substantiated complaints regarding breaches of customer privacy and loss of customer data	Cyber Security		
Business ethics and integrity				
3-3 (11.19.1; 11.20.1; 11.22.1)	Management of material themes	SGI's Materiality analysis		

GRI Standard / Material Aspects	Informations	Location	Omissions	
GRI 205: Anticorruption (2016)				
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 regulations and procedures	Business ethics and integrity		
205-3 (11.20.4)	Confirmed incidents of corruption and actions taken	Business ethics and integrity		
GRI 206: Anti-competitive Behavior (2016)				
206-1 (11.19.2)	Legal actions related to anti-competitive behavior, trust activities, and monopolistic practices	Business ethics and integrity		
Climate adaptation, resilience and transition				
3-3 (11.1.1, 11.2.1)	Management of materials	SGI's Materiality analysis		
GRI 201: Economic Perfomance (2016)				
201-2 (11.2.2)	Financial implications and other risks and opportunities arising from climate change	Climate adaptation and resilience		
GRI 302: Energy (2016)				
302-1 (11.1.2)	Energy consumption within the organization	Energy management and greenhouse gas emissions		
302-2 (11.1.3)	Internal energy consumption within the organization		Not available	
302-3 (11.1.4)	Energy intensity	Energy management and greenhouse gas emissions		

GRI Standard / Material Aspects	Informations	Location	Omissions	
Biodiversity protection				
3-3 (11.4.1)	Management of materials	SGI's Materiality analysis		
GRI 304: Biodiversity (2016)				
304-1 (11.4.2)	Operational sites owned, leased, or managed in protected areas and in areas of high biodiversity value outside protected areas or adjacent to such area	Biodiversity protection		
304-2 (11.4.3)	Significant impacts of activities, products, and services of biodiversity	Biodiversity protection		
304-3 (11.4.4)	Protected and restored habitats	Biodiversity protection		
304-4 (11.4.5)	Species listed in national conservation lists and the IUCN Red List with habitats in areas affected by operations	Biodiversity protection		
Greenhouse gas emissions (GHG)				
3-3 (11.1.1, 11.2.1, 11.3.1)	Management of materials	SGI's Materiality analysis		
GRI 305: Emissions (2016)				
305-1 (11.1.5)	Direct greenhouse gas (GHG) emotions	SGI's emissions		
305-2 (11.1.6)	Indirect greenhouse (GHG)emissions from energy consumption (Scope 2)	SGI's emissions		
305-3 (11.1.7)	Other indirect greenhouse gas emissions (GHG) (Scope 3)	SGI's emissions		
305-4 (11.1.8)	Greenhouse gas (GHG) emissions intensity	SGI's emissions		
305-5 (11.2.3)	Reduction of GHG emissions	SGI's emissions	Not available	
305-7 (11.3.2)	Nitrogen oxides (NOx), sulfur oxides (SOx), and other air emissions	SGI's emissions		

GRI Standard / Material Aspects	Informations	Location	Omissions	
Employees engagement				
3-3 (11.7.1; 11.10.1, 11.11.1)	Management of material	SGI's Materiality analysis		
GRI 401: Occupation (2018)				
401-1 (11.10.1)	New employees hires and employee turnover	Employee Engagement		
401-2 (11.10.3)	Benefits provided to full-time employees not provided to temporary or part-time employees	Company Welfare		
401-3 (11.10.4; 11.11.3)	Parental leave	SGI's Diversity&Inclusion initiatives		
GRI 402: Management of labour and labour relationss (2016)				
402-1 (11.7.2; 11.10.5)	Minimum notice periods regarding operational changes	Employee engagement		
Employee health, safety and welfare				
3-3 (11.9.1)	Management of material	SGI's Materiality analysis		
GRI 403: Health and Safety in the Workplace (2018)				
403-1 (11.9.2)	Occupational health and safety management system	Employee Health and Safety Management System		
403-2 (11.9.3)	Hazard identification, risk assessment, and incident investigation	Employee Health and Safety Management System		
403-3 (11.9.4)	Occupational health services	Employee Health and Safety Management System		
403-4 (11.9.5)	Worker participation and consultation on occupational health and safety programs and related communication	Employee Health and Safety Management System		

GRI Standard / Material Aspects	Informations	Location	Omissions	
403-5 (11.9.6)	Occupational health	Employee Health and Safety Management System		
403-6 (11.9.7)	Promotion of the workers' health	Employee Health and Safety Management System		
403-7 (11.9.8)	Prevention and mitigation of occupational health and safety impacts directly liked to business relationships	Employee Health and Safety Management System		
403-8 (11.9.9)	Workers covered by an occupational health and safety management system	Employee Health and Safety Management System		
403-9 (11.9.10)	Work-related injuries	Accidents in the Workplace		
403-10 (11.9.11)	Occupational diseases	Accidents in the Workplace		
Staff development and enhancement				
3-3 (11.7.1, 11.10.1, 11.11.1)	Materials management	SGI's Materiality analysis		
GRI 404: Training and Education (2016)				
404-1 (11.10.6; 11.11.4)	Average training hours per employee	Accidents in the workplace upskilling and reskilling of SGI personnel		
404-2 (11.7.3; 11.10.7)	Employee skills development and transition assistance programs	Accidents in the workplace upskilling and reskilling of SGI personnel		
404-3	Percentage of employees receiving a performance and professional development review	Evaluation of employees		

GRI Standard / Material Aspects	Informations	Location	Omissions	
Non-discrimination and equal opportunities				
3-3 (11.11.1, 11.14.1)	Materials management	SGI's Materiality analysis		
GRI 202: Market presence (2016)				
202-2 (11.11.2, 11.14.3)	Percentage of senior management hired from the local community	SGI's initiatives to promote Diversity & inclusion		
GRI 405: Diversity and Equal Opportunities (2016)				
405-1 (11.11.5)	Diversity of governance bodies and employees	SGI's personnel		
405-2 (11.11.6)	Ratio of basic salary to compensation	Employees' evaluation and retribution		
GRI 406: Non-discrimination (2016)				
406-1 (11.11.7)	Incidents of discrimination and corrective actions taken	Non-discrimination and equal opportunities		
Value chain management				
3-3 (11.10.1, 11.12.1, 11.13.1, 11.14.1)	Management materials	SGI's Materiality analysis		
GRI 204: Procurement Practices (2016)				
204-1 (11.14.6)	Percentage of spending on local suppliers	The SGI supply chain		
GRI 308: Environmental assessment of suppliers (2016)				
308-1	New suppliers that were screened using environmental criteria	The SGI supply chain		
308-2	Negative environmental impacts in the supply chain and actions taken	The SGI supply chain		

GRI Standard / Material Aspects	Informations	Location	Omissions	
GRI 407: Freedom of association and bargaining (2016)				
407-1 (11.13.2)	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	The SGI supply chain		
GRI 408: Child Labor (2016)				
408-1	Operations and suppliers at significant risk for incidents of child labor	The SGI supply chain		
GRI 409: Forced or Compulsory Labor (2016)				
409-1 (11.12.2)	Operations and suppliers with significant risk for incidents of child labor	The SGI supply chain		
GRI 414: Social evaluation of suppliers (2016)				
414-1 (11.10.8; 11.12.3)	New suppliers that were screened using social criteria	The SGI supply chain		
414-2 (11.10.9)	Negative social impacts in the supply chain and actions taken	The SGI supply chain		
Relations with local communities				
3-3 (11.14.1, 11.15.1, 11.17.1)	Materials Management	SGI's Materiality analysis		
GRI 201: Economic benefits (2016)				
201-1 (11.14.2)	Direct economic value generated and distributed	The economic value generated and distributed by SGI		
GRI 411: Rights of Indigenous Peoples (2016)				
411-1 (11.17.2)	Incidents of violations of the rights of indigenous people	Relations with local communities		

GRI Standard / Material Aspects	Informations	Location	Omissions	
GRI 413: Local Communities (2016)				
413-1 (11.15.2)	Engagement with local communities	Relations with local communities		
413-2 (11.15.3)	Engagement with local communities	Relations with local communities		
Land and resource rights				
3-3 (11.16.1)	Material managements	SGI's Materiality analysis		
Innovation				
3-3	Technological innovation	Technology innovation		
Themes in the GRI 11 Oil & Gas non-material sector standard for SGI				
11.5 Waste		These topics were not considered material for the 2023 sustainability report, as they are 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				

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