

# *SUSTAINABILITY PROFILE*

# 2023

In the changing world, Snam's choices



Energy Infrastructure for a Sustainable Future

Key figures 2023

**32,895 km**  
Methane pipeline in Italy and abroad

**1,523 km**  
Certified H2-ready network

**64.07 bln/m<sup>3</sup>**  
Natural gas fed into the grid

**16.7 bln/m<sup>3</sup>**  
Total storage capacity  
**+1.2% vs. 2022**

**3.69 bln/m<sup>3</sup>**  
Volumes of regasified LNG  
of which 1.12 billion m<sup>3</sup> from the  
FSRU plant in Piombino

**3,798**  
Employees

Economic highlights 2023

**3,875 mln/€**  
Total revenues (excluding fees  
to cover energy costs)

**2,417 mln/€**  
Adjusted EBITDA  
**(+8% vs. 2022)**

**1,135 mln/€**  
Reported net profit

**1,774 mln/€**  
Technical investments

**3,545 mln/€**  
Added value distributed  
to all stakeholders

**2,785 mln/€**  
Value of goods, works and services  
purchased by Snam

**80%**  
Sustainable finance percentage  
of total funding

# Highlights 2023

Data from Financial Report 2023 and  
Strategic Plan 2023-2027

# Snam's choices in a changing world

In line with last year's first edition, the "2023 Sustainability Profile" aims to outline Snam's strategy in regards to the sustainability challenges the Group faces in the context of an increasingly complex and multifactorial energy, geopolitical, economic, environmental and social scenario. But it also serves another purpose: the publication of this report marks the relaunch of Snam's commitment to the area under the auspices of its new ambition, geared towards developing "energy infrastructure for a sustainable future".

*We at Snam, strengthened by our positioning at European level as the only system operator active along the entire value chain - from transportation to dispatching, from storage to regasification - aim to position ourselves as a point of reference and example of sustainability in the field of the construction and management of energy infrastructures in Italy and Europe.*

If 2022 was a turning point for the global energy system, then the most recent year – although continuing to highlight the energy market's volatility and the fragility of the social and economic equilibrium connected to it – have demonstrated the positive effects of the wide-ranging actions that Snam has undertaken. It has also shown the strategic importance of the Group's short, medium and long-term objectives, which the new Strategic Plan to 2027 has extended with the addition of new challenging targets. These range from reaching Net Zero by 2050 for the entire value chain to achieving a positive

impact by 2027 in regards to the ecosystems affected by the presence of the managed infrastructures.

Despite the unstable context, emphasised by the exacerbation of the multiple challenges on the geopolitical, economic, environmental and social fronts that the international community faces on a daily basis, 2023 was a period of great operational achievements for Snam. The first part of the year saw the arrival and commissioning at Piombino of the first of the two FSRUs purchased to accelerate the country's decoupling from Russian gas supplies. In the Ravenna area, in parallel, work has started to accommodate the second regasification vessel, which will be in operation by the first half of 2025. Filled in record time, the storage facilities – due partly to counterflow services – ensured security of supply and flexibility for shippers, while the positive environmental impact assessments secured during the year will allow several sites to operate overpressure, further boosting the system's resilience.

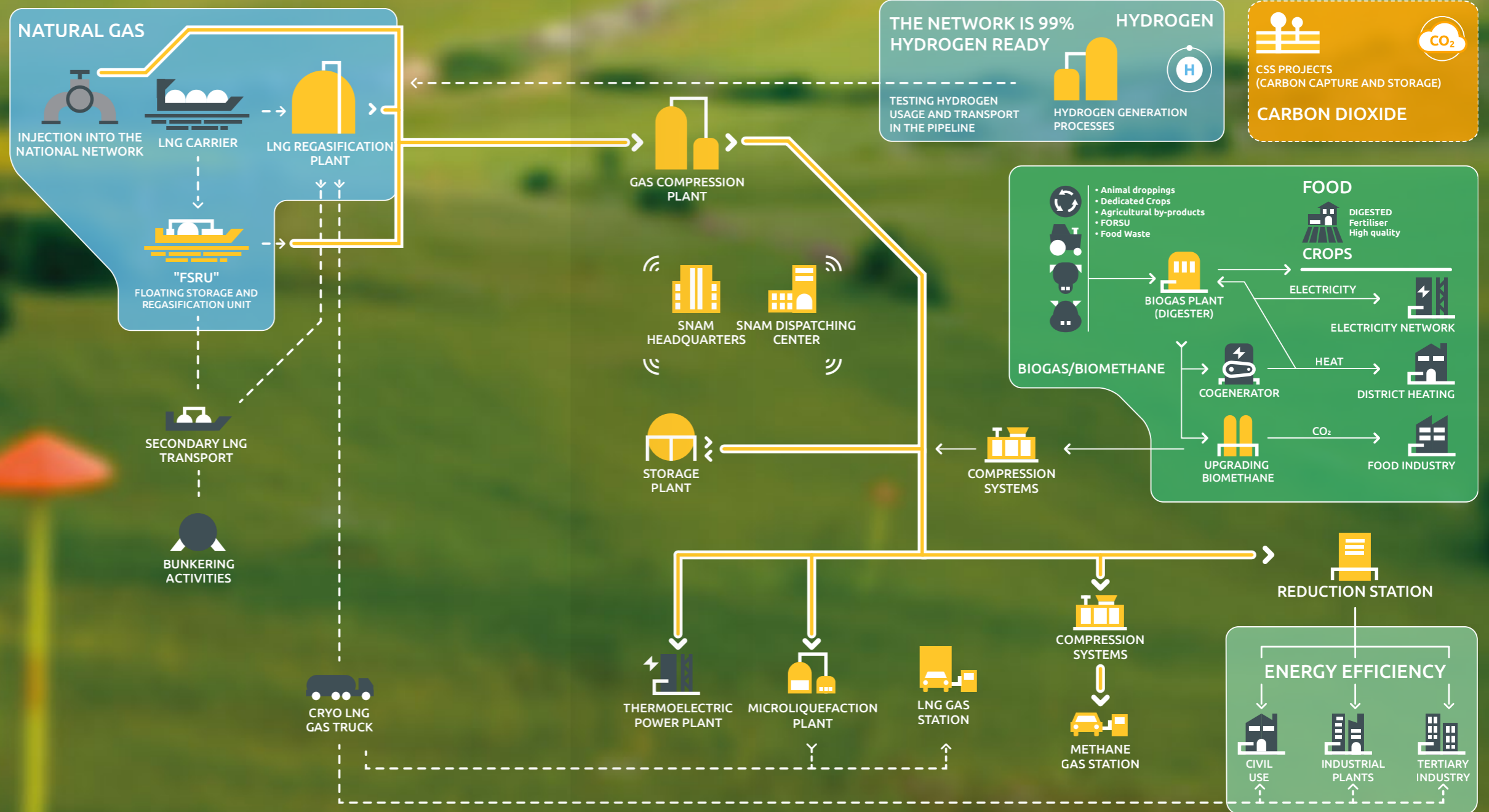
In other words, 2023 represented a turning point for Snam, well summed up by its "ambition": to be providers of "energy infrastructure for a sustainable future", so that the development of our traditional infrastructure itself becomes an added value for energy transition businesses. We continue to pursue all of the Group's objectives, from those related to energy security to those related to decarbonisation and the transition, in the joint interest of Italy and Europe and, above all, with a view to building cooperation and working alongside all our stakeholders, public or private, and with people always at the core – whether they work for Snam or belong to the areas we serve.

# The Multi-molecule formula

Snam's multi-purpose approach means that the gas infrastructure businesses work alongside and are interlinked with the energy transition businesses.

Each kilometre of the network, each plant and every other asset, whether physical or intangible, can therefore mobilise its full potential and contribute – together with supply chains, social and economic networks and various value chains – to the sustainable development pursued by the Group. This approach ensures that security of supply and decarbonisation are not in opposition but true allies.

- SNAM ACTIVITIES
- OTHER ACTIVITIES
- - - ACTIVITIES IN DEVELOPMENT



## THE GROUP'S BUSINESSES

### Energy transition business

- BIOMETHANE
- DECARBONISATION PROJECTS (Includes CSS & Hydrogen)
- ENERGY EFFICIENCY

### Gas infrastructure business

- TRANSPORTATION
- STORAGE
- REGASIFICATION
- MOBILITY AND LIQUEFACTION

# Sustainable strategy

In all its activities, in Italy and abroad, Snam pursues a sustainable and socially responsible growth model, aimed at creating value for the company and for the communities in which it operates.

## Sustainability strategy

Sustainability is profoundly integrated into the new 2023-2027 Strategic Plan, in which it takes on the role of an enabling and wide-ranging strategic lever to guide the Group in its investment decisions, and day-to-day activities, as well as in the development of corporate businesses, contributing to long-term value creation.

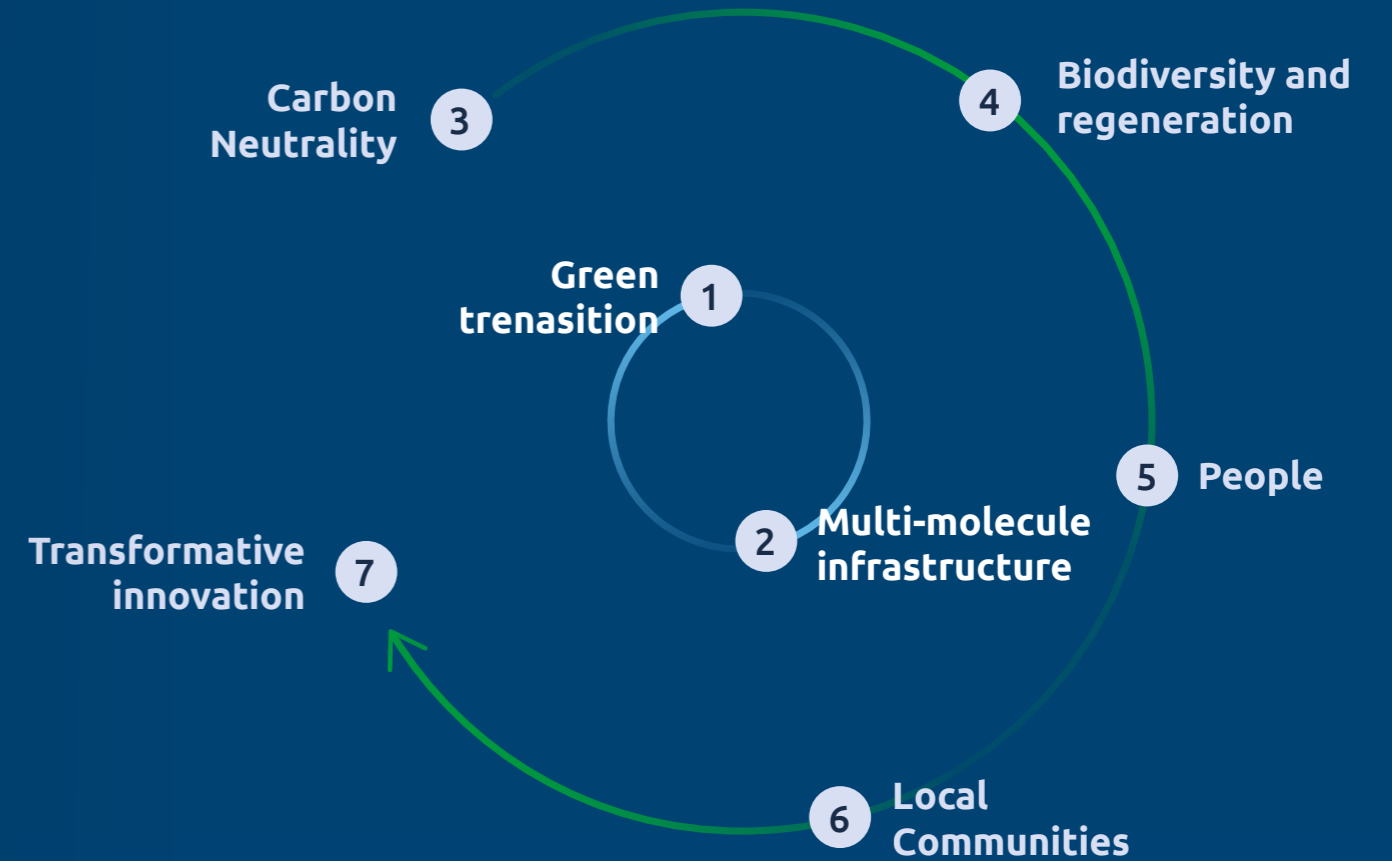
To this end, Snam has defined a sustainability framework which, integrated into the Group's strategy, reflects its goal of achieving a fair and balanced transition to a low-carbon economy, based on multi-mole-

cule infrastructure, decarbonisation, biodiversity, innovation and digitalisation, while also considering Snam's people and local communities.

On the one hand, Snam intends to enable a safe and credible energy transition, directing huge investments in the creation of future-proof infrastructures; on the other, it wants to be a company whose approach to sustainability is as comprehensive as possible, ensuring fair, inclusive and safe working conditions for its employees, collaborating with local communities and actively working to reduce emissions.



The sustainability framework is divided into 7 strategic pillars. For each pillar, the Group has defined a clear ambition with a 2030 outlook:



- 1** **Green transition**
- 2** Develop an **energy transition platform** to achieve system decarbonisation and sustainable growth through inclusive paths of change
- 3** **Decarbonize** the core business by collaborating with suppliers to achieve carbon neutrality in the group's activities by 2040 and **net zero emissions** by 2050 for all emissions, direct and indirect
- 4** **Have a positive impact** on nature through targets aligned with the Science Based Target for Nature (SBTN) such as **Net Zero Conversion** by 2024 and **Net Positive Impact** by 2027
- 5** **Valuing all People Snam**, by fostering their professional growth and promoting their harmonious and integral development in a holistic manner
- 6** **Continue to generate value for local communities**, acting as a System Operator, paying attention to the needs of the local area
- 7** Spread a **culture of innovation** among all Snam People to maximise the effectiveness of technology, improving the safety and reliability of assets, sustainability and the value chain

# Sustainability Scorecard



Alongside the 2023-2027 Strategic Plan, Snam published its Sustainability Scorecard, which balances business objectives with sustainability targets. In addition to being a useful monitoring tool, the Scorecard is also aimed at improving transparency in communicating the Company's

actions and commitment to stakeholders and the market and, more generally, to the public. In fact, the Scorecard structure was revised to align it with the framework, incorporating the seven pillars, to which specific targets for 2024 and 2027 were associated.

## Green transition

✔ Objective completed    ⌚ Objective in progress

CO <sub>2</sub> emissions avoided (ktCO <sub>2</sub> e) <sup>1</sup>	Production of biomethane (Mscm)	Investments related to the Ravenna CCS Project Phases 1+2 (mln/€) <sup>2</sup>
<b>102.9 ktCO<sub>2</sub>e</b> Actual 2023 <span>✔</span>	<b>24.4 Mscm</b> Actual 2023 <span>⌚</span>	<b>65 mln/€</b> Actual 2023 <span>✔</span>
<b>105 k tCO<sub>2</sub>e</b> Budget 2024	<b>20 Mscm</b> Budget 2024	<b>120 mln/€</b> Budget 2024
<b>500 ktCO<sub>2</sub>e</b> Target 2027	<b>160 Mscm</b> Target 2027	<b>370 mln/€</b> Target 2027

## Multi-molecule infrastructure

Operational availability for gas transportation<sup>3</sup> (%)

Certified "H<sub>2</sub> ready" network (km)

**>99%**<sup>4</sup>  
Actual 2023 ✔

**1,513 km**<sup>5</sup>  
Actual 2023 ⌚

**>99%**  
Budget 2024

**1,900 km**  
Budget 2024

**>99%**  
Target 2027

**3,000 km**  
Target 2027

## Carbon neutrality

Reduction of total natural gas emissions (%)

ESG criteria in procurement procedures(% expenditure)

RES<sup>6</sup> out of total energy consumed (%)

Expenditure out of total spending with decarbonisation plans received from suppliers (%)

**-56.67%**  
Actual 2023 ✔

**35%**  
Actual 2023 ✔

**63%**  
Actual 2023 ✔

**23%**  
Actual 2023 ⌚

**-57.5%**  
Budget 2024

**35%**  
Budget 2024

**52-55%**  
Budget 2024

**25%**  
Budget 2024

**-64.5%**  
Target 2027

**65%**  
Target 2027

**100%**  
Target 2027

**35%**  
Target 2027

## Biodiversity and regeneration

Zero Net Conversion

Net Positive Impact

Recovery of the vegetation in the areas affected by the construction of a pipeline

**99.9%**  
Target 2024 ⌚

**99.9%**  
Target 2023 ✔

**99.9%**  
Target 2027 ⌚

**99.9%**  
Target 2024

**99.9%**  
Target 2027

Notes (1), (2), (3), (4): see page 13

People

✓ Objective completed    ⌚ Objective in progress

Employee engagement index (%)	Women in executive and management positions (%)	IpFG (Combined Frequency and Severity Index)	Gender pay gap (%) <sup>8</sup>	Participants in welfare activities (%)	Hours of employee training (h/capita)
84% Actual 2023 ✓	25.9% Actual 2023 ✓	0.47 Actual 2023 ✓		57.9% Actual 2023 ✓	37h Actual 2023 ✓
>80% Budget 2024	26% Budget 2024	<min.3y <sup>7</sup> Budget 2024		75% Budget 2024	36h Budget 2024
>80% Target 2027	27.5% Target 2027	<min.3y <sup>7</sup> Target 2027	+/-5% Target 2027	80% Target 2027	40h Target 2027

Local Communities

Benefits for local communities on regulated revenues (%)	Value delivered to local communities (bln /€)	Average customer satisfaction rate in terms of service quality (1-10)
0.4% Actual 2023 ⌚	1.45 bln/€ Actual 2023 ✓	8.1 Actual 2023 ✓
~1 Budget 2024	>1 bln/€ Budget 2024	>=8.1 Budget 2024
~1 Target 2027	>1 bln/€ Target until 2027	>=8.1 <sup>9</sup> Target 2027

Transformative innovation

Investment in innovation out of revenue (%)	Accelerated start-ups after PoC(#) <sup>10</sup>	Digitalised and AI-enabled processes (% of total)	Projects covered by the Cyber Security by Design approach (%)	CapEx aligned to SDGs (% of total)	Reduction of Scope 1 and 2 CO <sub>2</sub> emissions (% v. 2022) <sup>11</sup>
3.3% Actual 2023 ✓	11 (22) Actual 2023 ⌚	100/10 Actual 2023 ⌚		61% Actual 2023	-10% Actual 2023 ⌚
3% Budget 2024	15 (25) Budget 2024	100/12 Budget 2024	100% Budget 2024 ⌚		
3% Target 2027	27 (30) Target 2027	100/20 Target 2027	100% Target 2027		-25% Target 2027

Financial & CO<sub>2</sub>

Sustainable finance on total financing available (%)*	CapEx aligned with EU Taxonomy (% of total)	Revenues aligned with EU Taxonomy (% of the total)
81% Actual 2023 ✓	29% Actual 2023	26% Actual 2023

85%  
Target 2027

Sustainable Principles

ESG issues discussed in meetings of the Board of Directors	>40% of the Board of Directors' time with ESG topics covered
Third parties subjected to the procurement process on which reputational checks have been carried out	100% of suppliers with reputational checks carried out
Italian territory covered by cyber resilience tests	100% of the Italian territory covered

**Note:** (1) Emissions avoided to third parties thanks to biomethane activities and energy efficiency interventions; (2) Cumulative number 2023-2027; (3) Previously called "Levels of reliability on gas supplies"; (4) 99% of the network can transport hydrogen, possibly undergoing a decrease in operating pressure; (5) Certification of the suitability of the existing mesh materials for H2 transportation, in accordance with the applicable requirements in report P0027355-1-H2; (6) Renewable Energy Source calculated on the regulated perimeter. (7) Snam aims to have an index lower than the minimum of the last 3 years; (8) For equivalent organisational positions; (9) The indicated target refers to a spontaneous initiative by Snam to measure the quality of the service through an annual survey, using a scale from 1 to 10; in any case we expect a change in the methodology for evaluating service quality in the coming years. In this case the annual target will have to be modified accordingly; (10) The KPI represents both the number of accelerated start-ups and the number of Proofs of Concept (PoC); (11) Reduction calculated on the regulated perimeter.

# Green transition

Our capacity for innovation and new activities dedicated to the energy transition are driving the path towards a more sustainable economic model that promotes a just transition.

## OUR OBJECTIVES

🟢 Objective completed    🟡 Objective in progress

CO<sub>2</sub> emissions avoided (ktCO<sub>2</sub>e)<sup>1</sup>

**102.9 ktCO<sub>2</sub>e**

Actual 2023 🟢

Production of biomethane (Mscm)<sup>2</sup>

**24.4 Mscm**

Actual 2023

Investments related to the Ravenna CCS Project Phases 1+2 (mln/€)<sup>3</sup>

**65 mln/€**

Actual 2023 🟡

**105 k tCO<sub>2</sub>e**

Budget 2024

**20 Mscm**

Budget 2024

**120 mln/€**

Budget 2024

**500 ktCO<sub>2</sub>e**

Target 2027

**160 Mscm**

Target 2027

**370 mln/€**

Target 2027

### Biomethane

Through its subsidiary Bioenerys, Snam plays a dual role in the biomethane business: on the one hand, it facilitates the interconnection of plants to the grid; on the other, it develops and builds plants for the treatment of municipal solid waste and agricultural raw materials.

In 2023, Bioenerys had biomethane and biogas capacity of around 41MW – 16MW in the waste sector and 25MW in the agricultural sector, and intends to reach a total capacity of 80MW and production of approximately 135 million cubic metres per year by 2027.

In 2023, Snam avoided the emission of 45.9

thousand tonnes of CO<sub>2</sub>; its target is to exceed 300 thousand by 2027.

### Hydrogen and CCS

Established in 2022, the Decarbonisation Projects function manages Snam's Carbon Capture and Storage (CCS) and hydrogen projects, with the aim of accelerating their development and deployment as key levers in ensuring the achievement of European and global decarbonisation goals.

Snam intends to take the lead in the development of the infrastructure for transporting and storing CO<sub>2</sub>, for which about 350 million euros of investment is earmarked over

the Plan period, net of public funding. Part of this will go to the Ravenna CCS project, operated as a 50:50 joint venture with Eni, under which the permanent storage of 16 million tonnes of CO<sub>2</sub> per year is expected to be achieved by 2030, thereby making an important contribution to decarbonising “hard-to-abate” industries.

Together with CCS, hydrogen represents an option for achieving decarbonisation targets and realising the energy transition. Snam works on this across three areas: 1) consolidating gas transportation and storage assets that are also hydrogen ready, 2) encouraging the districting of production and consumption through the hydrogen valley mechanism and 3) working with R&D towards enabling technologies.

All this follows in the wake of a long-term strategy whose main objectives, which converge with energy security aims, include delivery of the so-called South2 Corridor, one of the corridors identified by the European Union for importing green hydrogen. Snam is working on this in collaboration with other European TSOs, with the aim of transporting green hydrogen produced in the southern Mediterranean to Italy and Central Europe, potentially covering 40% of the import target set by the REPower EU Plan from 2030.

### Energy efficiency

Through Renovit, an Italian platform launched by Snam and CDP Equity, certified as a B Corp and having become a Benefit Company in 2023, to promote the energy efficiency of companies, condominiums, the tertiary sector and public administration, Snam plays a leading role in the energy services sector, having developed over the years a solid basis of energy performance contracts and energy requalification projects for the various stakeholders indicated. Specifically, in 2023 Renovit avoided around 57,000 tonnes of CO<sub>2</sub> emissions and, with 300 million euros of investments to 2027, will further extend its portfolio of customers in the public and industrial sectors with the aim of exceeding 130,000 tonnes of avoided emissions over the plan's timeframe.

Furthermore, thanks to the investment plan mentioned above, Snam aims to reach a value of registered contracts by 2027 worth approximately 3 billion euros, of which more than 60% in the public sector and with long-term contracts.



**N.B.** the data refer to the entire Snam Group, unless otherwise indicated. **(1)** Emissions avoided through the activities related to the biomethane and energy efficiency businesses. It calculates the CO<sub>2</sub>e emissions avoided by Renovit's energy saving measures on residential, industrial, tertiary and public administration buildings and the CO<sub>2</sub>e emissions avoided by using biomethane produced by Bioenerys instead of fossil gas. The latter contribution is evaluated by multiplying the biomethane volumes (scm) by its lower heating value (LHV or PCI, GJ/1000 scm) and the emission factor of natural fossil gas (from Ispra, tCO<sub>2</sub>/TJ), indicating the emissions that would have occurred with the use of fossil gas (compared to the use of biomethane). **(2)** Biomethane production by Bioenerys. The figure corresponds to gross biomethane production (compared to net production used in previous years). The scope of the indicator for 2023 refers to the following companies: Bioenerys Ambiente S.r.l., Bioenerys Agri S.r.l. and Iniziativa Biometano (the latter removed from the portfolio as of October 2023). **(3)** Cumulative figure for the period 2023-2027 net of contributions, dilution and goodwill due to Eni. CapEx invested according to i) the business plan agreed between Snam and Eni, referring to the development of the storage facilities of the Ravenna CCS Project during phases 1+2 (experimental phase and industrial phase), and ii) the business plan developed solely by Snam, referring to the development of the onshore transportation system of Ravenna CCS via pipeline.



# Multi-molecule infrastructure

In line with Snam's multi-purpose approach, the gas transportation, storage and transformation businesses operate alongside the energy transition businesses, supported by the physical and IT infrastructure.



## OUR OBJECTIVES

✔ Objective completed
🕒 Objective in progress

Operational availability for gas transportation<sup>1</sup> (%)

Certified "H<sub>2</sub> ready" network (km)

**>99%**

Actual 2023 ✔

**1,513 km**

Actual 2023 🕒

**>99%**

Budget 2024

**1,900 km**

Budget 2024

**>99%**

Target 2027

**3,000 km**

Target 2027

N.B. the data refer to the entire Snam Group, unless otherwise indicated. (1) The target was renamed. In previous years it was "Percentage level of reliability of gas supply". The perimeter of the target refers to Snam Rete Gas. The target is calculated as: (Volume of gas injected into the transmission network - Allocated transportation capacity made unavailable) / Volume of gas injected into the transmission network. (2) Certification of the suitability of existing network materials for the transportation of H<sub>2</sub>, in accordance with the applicable requirements given in report P0027355-1-H<sub>2</sub>, defined according to the methodology described in RINA document GUI.16 'Guide for Technology Qualification Processes' dated 15.12.2016 and based on ASME standard B31.12 'Hydrogen Piping and Pipelines' (2019 edition).

## Storage

Through its subsidiary Stogit, Snam manages 9 storage plants, which act in synergy with the other transportation and regasification infrastructures of the Group, contributing to the flexibility and redundancy of the national energy system and promoting the continuity of gas supplies in our country, in any day of the year.

Indeed, storage activity is essential to manage fluctuations in demand linked to seasonal dynamics, representing a strategic solution against unforeseen events or unexpected increases in demand in response to particular weather conditions. In this way, it also ensures the availability of the necessary gas quantities in order to compensate for possible interruptions or reductions in non-European supplies, or to overcome temporary crises in the gas system.

In fact, the storage system stores gas during periods of lower demand (typically in the summer period) and then delivers it at times of peak demand or in the event of a shortage or momentary interruption of imports (typically in the winter period).

## Transportation

Snam transports natural gas throughout Italy via more than 33,000 km of pipelines. Managed by its subsidiary Snam Rete Gas, these provide widespread coverage of the country, ensuring continuity of supply in line with demand across the whole year and leveraging pipeline transportation, which is more efficient and reliable than road transport, as well as having less impact on the environment.

The company has 13 compressor plants (which will rise to 14 by 2026 with the new Sulmona power plant) located across the national network that serve to maintain constant gas pressure along its entire route to ensure the regular flow of gas. In addition, it has 48 maintenance centres, 8 districts and a dispatching centre, which controls and oversees the transportation network remotely using a data-driven and risk-based approach, monitoring the health of the assets and scheduling their maintenance on a predictive basis.

## Regasification

Through its subsidiaries GNL Italia and FSRU Italia, Snam is also involved in the regasification of LNG, i.e. natural gas that, once extracted, is liquefied through a specific cooling process that significantly reduces its volume, ensuring easier transportation by LNG carriers.

Built in 1971, the terminal at Panigaglia (La Spezia) was the first operational regasification plant in Italy, consisting of 2 storage tanks of 50,000 cubic metres each, vaporisation plants and a landing stage for LNG carriers. With a view to promoting greater security and diversification of energy supplies, Snam has invested in floating regasification units or FSRUs (Floating Storage and Regasification Units) since 2022.

Specifically, the Golar Tundra floating unit (Piombino), purchased in May 2022, officially entered into commercial operation in July 2023 with the arrival of the first LNG carrier, while the BW Singapore, purchased in December 2023 and expected by the end of the year off the coast of Ravenna, is scheduled to enter into operation in the first half of 2025. Both floating regasification terminals have a maximum storage capacity of about 170 thousand cubic metres of liquefied natural gas and a nominal continuous regasification capacity of about 5 billion cubic metres per year.

Within the framework of the 2023-2027 Strategic Plan, Snam intends to invest in the connection works between the FSRUs and the network, in the infrastructure investments required for the relocation of the FSRU Golar Tundra, and in the commissioning of BW Singapore.

*FSRUs are vessels located close to a port area, either at the quayside or offshore, which receive liquefied natural gas in order to store, regasify and then feed it into the national gas transportation network. They are recognised as being safe and having a low environmental impact.*

## LNG and sustainable mobility

The instability of gas prices, combined with the need to pursue energy independence for Italy, have led Snam to fully exploit the versatility of some of its assets. Through Greenture, set up in 2017 to drive decarbonisation in mobility via the development of a network of C-LNG (Compressed and Liquefied Natural Gas) roadside refuelling stations, Snam has gradually extended the scope of its commitment to sustainable transport, and in 2022/2023 began creating midstream infrastructure for heavy transport in the shipping and rail sectors. Moreover, by developing infrastructure to support the use of Bio C-LNG and hydrogen, Greenture also intends to foster the energy transition of off-grid industrial and civil users, confirming Snam as a key infrastructure operator for small-scale projects.

As part of the 2023-2027 Strategic Plan, Snam expects to continue developing small-scale LNG infrastructure and expanding the networks of LNG and bio-LNG stations, and, in the future, hydrogen stations; it also expects to adapt regasification terminals to allow them to support small-scale LNG activities and construct micro-liquefaction plants and coastal storage facilities.



# Carbon neutrality

At the beginning of 2024, the Group updated its emission reduction targets to renew its commitment to decarbonisation with the aim of playing a leading role in the energy transition.

The Group has outlined a clear decarbonisation pathway for Scope 1 and Scope 2 GHG emissions from the activities of the regulated business, setting itself intermediate targets for 2027, 2030 and 2032 compared to 2022 levels, to achieve carbon neutrality at 2040 across the entire Snam group perimeter.

Moreover, from 2023, Snam has also strengthened its commitment to GHG Scope 3 emissions, setting a reduction target in absolute terms, with intermediate targets to 2030 and 2032 on the regulated perimeter. Furthermore, as a demonstration of its commitment to reaching the zero emissions target, in 2023 Snam participated in Moody's Net Zero Assessment (NZA), with the aim of having the coherence of its action plans

assessed, with a view to achieving these objectives aligning them with the Paris Agreement. Following the analysis, Snam's zero emissions strategy was the first to be assessed in line with the objective of containing global warming *Well Below 2°C*.

Finally, with the new Strategic Plan, Snam has given itself a new, ambitious target: zero net emissions by 2050 for all emissions, direct and indirect<sup>1</sup>. Snam is also committed to reducing methane emissions from managed networks and plants: compared to 2015, it recorded a 57% reduction in 2023, a performance that saw the renewal of its Gold Standard by the United Nations Environment Programme (UNEP). Finally, by 2027, the company intends to reduce emissions further – by at least 64%.

(1) To be understood as a 90% reduction in emissions and the remaining 10% through off-setting projects.



## OUR OBJECTIVES

✔ Objective completed    ⌚ Objective in progress

Reduction of total natural gas emissions (%)	RES <sup>1</sup> out of the total energy consumed (%) <sup>2</sup>	Percentage of natural gas recovered from maintenance activities (%) <sup>5</sup>	Scope 1 and 2 CO <sub>2</sub> emission reductions vs. 2022 (%) <sup>2</sup>
<b>-48.6%</b> Target 2023 ✔	<b>63%</b> Performance 2023 ✔	<b>60%</b> Performance 2023 ✔	<b>-10%</b> Performance 2023 ⌚
<b>-56.67%</b> Performance 2023	<b>52-55%</b> Target 2024	<b>&gt;40%</b> of the average of the last five years until 2026	<b>-25%</b> Target 2027
<b>-57.5%</b> Target 2024	<b>100%</b> Target 2027		<b>-40%</b> Target 2030
<b>-64.5%</b> Target 2027			<b>-50%</b> Target 2032
<b>-70%</b> Target 2030			<b>Carbon Neutrality</b> Target 2040
<b>-72%</b> Target 2032			<b>Net Zero</b> Target 2050 <sup>(6)</sup>

CO <sub>2</sub> emission reductions Scope 3 vs. 2022 (%) <sup>2</sup>	ESG criteria in procurement procedures (% expenditure) <sup>4</sup>	Expenditure out of total spending with decarbonisation plans received from suppliers (%) <sup>3</sup>
<b>-4%</b> Performance 2023 ⌚	<b>30%</b> Target 2023 ✔	<b>23%</b> Performance 2023 ⌚
<b>-30%</b> Target 2030	<b>35%</b> Performance 2023	<b>25%</b> Target 2024
<b>-35%</b> Target 2032	<b>35%</b> Target 2024	<b>35%</b> Target 2027
<b>Net Zero</b> Target 2050	<b>65%</b> Target 2027	

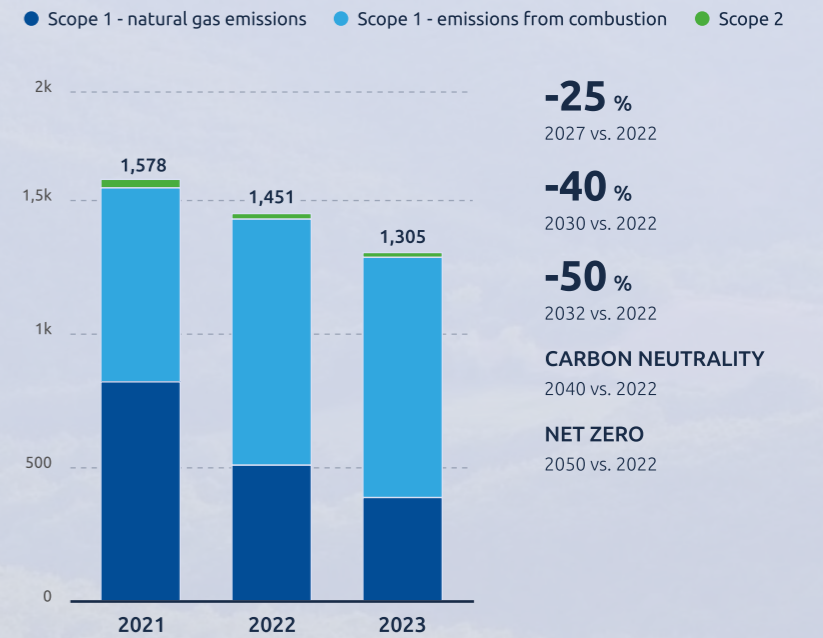
N.B. the data refer to the entire Snam Group, unless otherwise indicated. (1) Renewable Energy Source (2)The target refers to the perimeter of the regulated sector, excluding FSRU for 2023. (3)The target refers to the product categories related to the 'Top Emitters' (year by year) for which the decarbonisation plan was provided. The perimeter of the target corresponds to: Snam S.p.A., Snam Rete Gas, GNL Italia, Stogit, Enura, FSRU Italia, Greenture and Cubogas. (4)The perimeter refers to: Snam S.p.A., Snam Rete Gas, Gnl Italia, Stogit, Enura, FSRU Italia, Greenture and Cubogas. (5)The target refers to the perimeter of the transport sector. (6)The target refers to the entire perimeter of the Snam Group.



### Target reduction in Scope 1 and Scope 2 GHG emissions

In order to reduce GHG Scope 1 and Scope 2 emissions, Snam will continue to invest in the installation of dual fuel compressor stations and intends to use all available levers to achieve the targets, including the use of renewable energy (electricity or biomethane). Efforts to reduce natural gas emissions will also help to achieve these objectives. In this area, Snam has performed positively against the targets laid out in 2021 and has set itself new and more challenging goals. Specifically, Snam intends to reduce natural gas emissions from 2015 levels by 64.5% by 2027, 70% by 2030 and 72% by 2032.

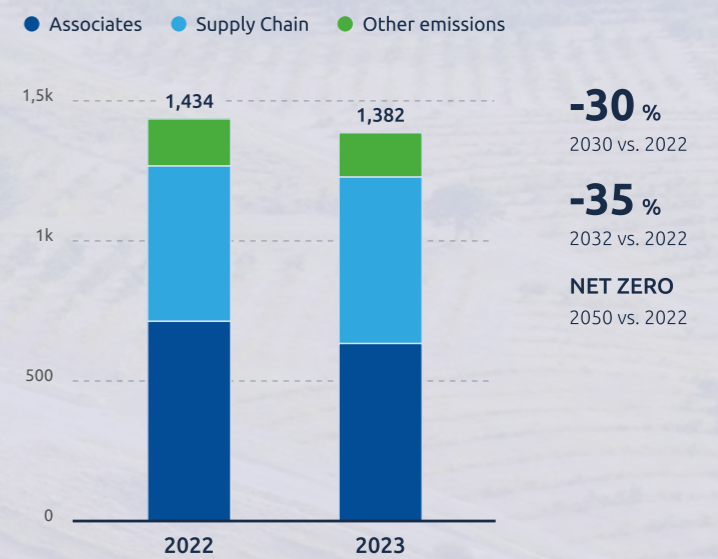
Regulated perimeter and emission reduction targets Scope 1 and Scope 2 (kton CO<sub>2</sub>e)



### Target reduction in Scope 3 GHG emissions

GHG Scope 3 emissions are mainly attributable to emissions from Snam's associates and its supply chain. The company applies 6 different levels of levers, focused on supply chain, associate and other Scope 3 GHG emissions, enabling it to accompany both companies that are at the beginning of the journey and those that are already actively integrating sustainability into their strategy.

Regulated perimeter and emission reduction targets Scope 3 (kton CO<sub>2</sub>e)



### 2023 results achieved for Scope 1, Scope 2 and Scope 3 GHG emissions

Snam's Scope 1 and 2 emissions amounted to approximately 1,413,122 tonnes of CO<sub>2</sub>eq (-7% vs. 2022); these are in addition to Scope 3 emissions of 1,589,833 tonnes (+18% vs. 2022) including 777,513 tonnes related to the Supply Chain and 639,326 tonnes related to Associates: The Group's total Scope 1, market-based Scope 2 and Scope 3 GHG emissions are therefore 3,002,955 tonnes CO<sub>2</sub>eq (+5% compared to 2022).

# Biodiversity and regeneration

Snam has embarked on a well-defined path to establish its biodiversity strategy and to set targets aligned with the currently available guidelines of the Science Based Target for Nature (SBTN) framework.

## OUR OBJECTIVES

✔ Objective completed    ⌚ Objective in progress

Zero Net Conversion

Net Positive Impact

Recovery of the vegetation in the areas affected by the construction of a pipeline

99.9%

Target 2023 ✔

99.9%

Target 2024 ⌚

99.9%

Target 2024

99.9%

Target 2027 ⌚

99.9%

Target 2027

**D**uring the year Snam was the first infrastructure-only operator to join the SBTN CEP and developed a detailed study using their methodology to evaluate its impact on biodiversity, from which two public targets arose:

- **2024:** Zero Net Conversion
- **2027:** Net Positive Impact

Snam already operates a Zero Net Conversion scheme, i.e., it ensures it has no impact on the ecosystem, achieving the target it initially set for 2024 in advance. It ensures that impacts in land use change are minimal, or, if such impacts are unavoidable, it ensures that natural and semi-natural areas are fully restored to their natural state.

**N.B.** the data refer to the entire Snam Group, unless otherwise indicated. (1)The target refers to Zero Net Conversion activities for land use, and in particular to all infrastructure projects, i.e. Snam's direct activities. The target is aligned with the guidelines of the Science Based Target for Nature (SBTN) framework, in force since 2023. (2)The target is aligned with the guidelines of the Science Based Target for Nature (SBTN) framework, in force since 2023. The target refers to areas at high risk of biodiversity where 'nature positive' solutions will be adopted through initiatives to restore or protect the landscape. The target includes a minimum of two initiatives for at least one area at high biodiversity risk (3) The target is calculated by estimating the difference between the pre-construction phase and the executive phase and places particular emphasis on the recovery of the vegetation along the kilometres of pipeline route that cross natural and semi-natural areas.

## Protecting land and biodiversity

The main environmental impacts, which may occur during the construction and decommissioning phases of the project, concern noise pollution, dust generation and release of emissions into the atmosphere, the use of water and soil resources, and possible aesthetic alterations to the landscape due to any cutting of vegetation.

To prevent negative impacts related to the operation of infrastructure, a number of good site practices have been introduced. These include wetting the tracks and reducing the speed of vehicles to reduce dust lifting, shutting down vehicles when not in use and carrying out their periodic testing and overhaul, storing waste in delimited areas and disposing of it in accordance with the terms and methods envisaged by law, and anti-hydrocarbon spillage practices.

In addition, Snam initiates mitigation measures based on the characteristics of the impacted areas and the specific plant and animal species, such as the interruption of construction site activities for the reproductive/migratory periods of some species in order to minimise the impact on fauna, the introduction of shelter or nesting support facilities, and the fauna surveillance of excavations.

If it cannot avoid crossing them, Snam takes extreme care in relation to operations in the vicinity of Natura 2000 Network Sites, the principal means by which the European Union aims to conserve biodiversity and natural habitats. Once the design phase has begun, all works are subjected to a series of stringent environmental compatibility and safety assessments to ensure maximum respect for the natural environment and the protection of biodiversity.

During the year, the construction activities of Snam Rete gas mainly involved the construction, refurbishment or downgrading of methane pipelines that required environmental monitoring and restoration:

250 km

Environmental restoration

7 km

New reforestation<sup>1</sup>

68 km

Horticultural initiatives<sup>2</sup>

1,125 km

Environmental monitoring<sup>3</sup>

0.66 km

Transport network affected by Natura 2000 Sites

(1) New forestation area 115,000 m<sup>2</sup> (272,000 m<sup>2</sup> in 2022). (2) Cultivation care means agronomic activities of care and maintenance of the plants planted. (3) Natura 2000 sites are special protection areas/sites of Community interest. The indicator denotes the km of lines laid in these sites in the year. For 2023, the Natura 2000 Network Sites subject to the laying of infrastructure affected the regions of Emilia-Romagna and Sicily.

## Arbolia

Arbolia is a benefit company set up in 2020 by Snam and Fondazione Cassa Depositi e Prestiti, now wholly owned by Snam, to create new green areas in Italy, contributing to combating climate change, improving the quality of air and life in cities and the sustainable development of local areas. The company deals with urban forestation initiatives on land made available by the public administration and private individuals, including planting trees and their care and maintenance for the first few years, thanks to funding from SMEs and large companies across various industrial sectors.

In 2023, 6 forestation projects were implemented in the following locations: Pompei, Poirino, Treviglio and Caravaggio, Alleghe, Cesena and Padua with the planting of around 16,000 forest plants in total. From its inception to the end of 2023, thanks to the financial contribution of more than 50 companies, Arbolia carried out a total of 34 urban forestation projects in 27 Italian cities, amounting to a total of more than 75,000 trees planted in over ten regions of the country. When fully mature, these for-

ests will absorb around 8,500 tonnes of carbon dioxide (CO<sub>2</sub>) over 20 years and up to 36 tonnes of fine particulate matter (PM10) per year, returning around 6,000 tonnes of oxygen (O<sub>2</sub>) to the environment over 20 years.

**34**  
Completed projects

**>75,000**  
Trees planted

**8,500 t**  
of CO<sub>2</sub> in 20 years

**36 t**  
of PM10 per year

**6,000 t**  
of oxygen in 20 years



Visit the Arbolia website

# People

People - the protagonists of the Group's technological innovation, involved in its objectives and accompanied by a state-of-the-art corporate welfare - are a critical success factor for Snam, testified by active policies aimed at fostering their personal growth and professional development.

## OUR OBJECTIVES

🟢 Objective completed    🟡 Objective in progress

Employee engagement index <sup>1</sup>	Women in executive and management positions <sup>2</sup>	Women in the succession plan (1st and 2nd lines) <sup>3</sup>	IpFG (Combined Frequency and Severity Index) <sup>4</sup>
<b>70-75%</b> Target 2023 🟢	<b>25%</b> Target 2023 🟢	<b>26%</b> Target 2023 🟢	<b>0.47</b> Performance 2023 🟢
<b>84%</b> Performance 2023	<b>25.9%</b> Performance 2023	<b>33%</b> Performance 2023	<b>&lt;min.3y</b> Target until 2027
<b>&gt;80%</b> Target 2027	<b>26%</b> Target 2024	<b>27%</b> Target 2026	
	<b>27.5%</b> Target 2027		

Gender pay gap <sup>5</sup>	Participants in welfare activities <sup>6</sup>	Hours of training provided to employees (h/capita) <sup>7</sup>	Training hours delivered <sup>8</sup>
	<b>54%</b> Target 2023 🟢	<b>37 h</b> Performance 2023	<b>320,000</b> Target 2023 🟢
	<b>57.9%</b> Performance 2023	<b>36 h</b> Target 2024 🟢	<b>418,528</b> Performance 2020-2023
	<b>75%</b> Target 2024	<b>40 h</b> Target 2027	
<b>+/-5%</b> Target 2027	<b>80%</b> Target 2027		

**N.B.** the data refer to the entire Snam Group, unless otherwise indicated. **(1)** The figure is calculated from the results of the annual employee engagement survey, in which answers are given on a scale of 1 to 5 or 1 to 10, which are then converted to a scale of 0 to 100. The reported value corresponds to the average engagement rate. All Snam employees participate in the survey, with some for employees who resigned shortly after the survey, interns, consultants and temporary workers without a contract of employment with Snam. **(2)** Percentage of the gender distribution of the group's executive management, consisting of C-level positions, executive vice presidents (EVPs) and middle management (directors, executives and managers). Perimeter relative to: Snam S.p.A. Snam Rete Gas, Greenture, Snam Gas & Energy Services, Snam International B.V., GNL Italia, Stogit, Cubogas, Enura, Gasrule, Ies Biogas S.r.l., Renerwaste Lodi, Renerwaste, TEP, TEA. **(3)** Perimeter relative to: Snam S.p.A. Snam Rete Gas, Greenture, Snam Gas & Energy Services, Snam International B.V., GNL Italia, Stogit, Cubogas, Enura, Gasrule, Ies Biogas S.r.l., Renerwaste Lodi, Renerwaste, TEP, TEA. **(4)** Accident frequency and severity index for employees and contractors (the latter excluding those of non-regulated companies), excluding commuting accidents, takes into account both the frequency of total accidents recorded in relation to the number of hours worked and is calculated by adding

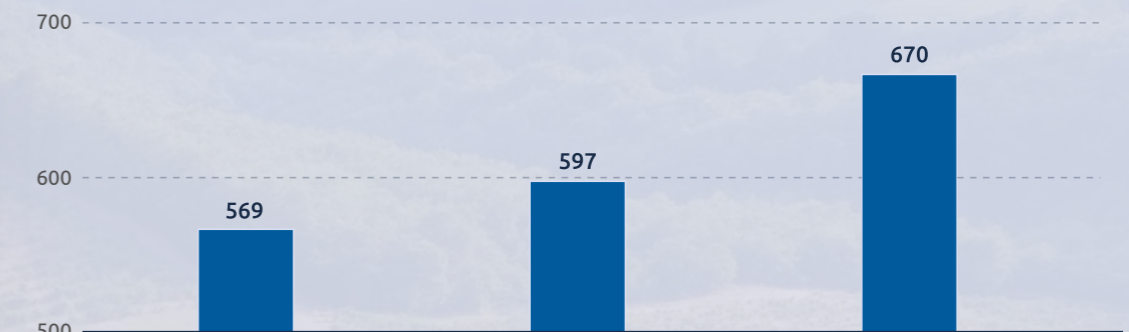
## Company welfare

Established in 2018, Snam's Welfare Plan has continued to evolve, year after year, guaranteeing adequate and satisfactory services to employees. In particular, in 2023, Snam's welfare offer was enriched with a new supplementary health insurance service

for registration in the category contractual fund, a free measure, created with the aim of supporting all Group employees and their families in taking care of their well-being and managing expenses

## Diversity and inclusion

Total female presence (No.)



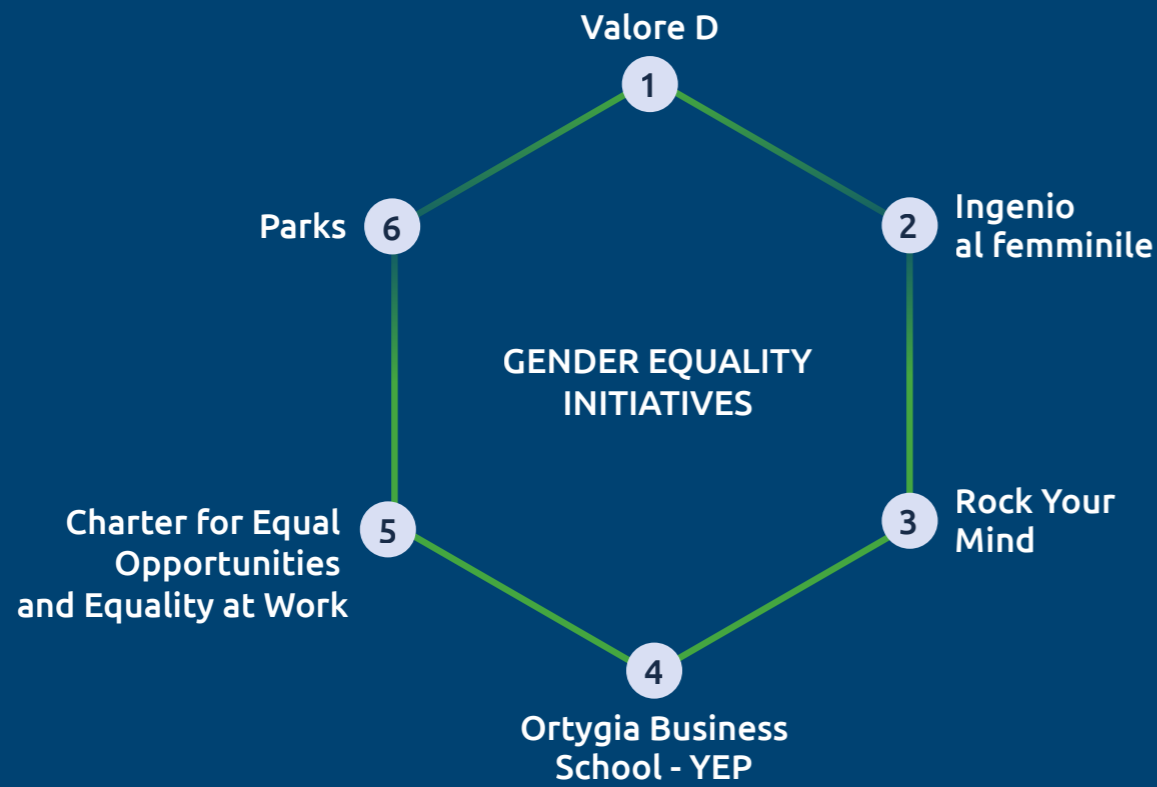
In order to consolidate its position and strengthen its competitive advantage, Snam is leveraging the valuing of diversity, while also promoting innovation and personal development. This focus is reflected in the composition of the workforce: at the end of the year, the female company population consisted of 670 people (equal to 18% of the entire company population), an increase compared to the previous year (+12%). The continuous growth of female staff is also due to the support of Snam in promoting the study of STEM disciplines among young female students. In this context, the Company actively cooperates with schools and universities as valuable levers for spreading a culture of equal opportunities and combating the gender gap, especially in view of the small percentage of female students enrolled in these areas.

As proof of its commitment in this field, Snam's Employee Resource Groups (ERGs) – voluntary membership communities ded-

icated to specific topics – include a STEM ERG, which proposes and implements initiatives to raise awareness and attract girls to STEM subjects through specific projects. The Diversity, Equity & Inclusion Team also promotes and supports a culture of diversity and equal opportunities at Snam through a series of initiatives, including the #Snam-4Diversity action plan, "Energia che include" (Inclusive Energy) and Inclusion Week – "Io ti vedo, io ti riconosco" (I see you, I acknowledge you) to explore and promote diversity and inclusion, seeking to embed these values within the corporate culture.

Moreover, in 2023, the Inclusion Manifesto was published, an evolution of the previous Inclusive Language Manifesto, which promotes a culture of language that respects all identities, conditions, affiliations, orientations and cultures, defining both the inclusive words and gestures supported and promoted by Snam.

and weighing the two indices (IF and IG). The perimeter refers to employees of both regulated and non-regulated businesses and only of regulated businesses for contractors, excluding non-regulated businesses. The scope of analysis will include, if any, companies acquired after 6 months from their acquisition. The target in 2022 was changed from the one defined in 2019 (< the average of the last five years) to align it with the same target set in the Remuneration Policy. **(5)** The methodology for calculating the target is currently being defined. The target refers to equivalent organisational positions. **(6)** The target is calculated as the percentage of employees participating in at least one welfare initiative. All employees are invited to participate in welfare initiatives. As of December 2021 and January 2022, new acquisitions are included in the scope of the target through progressive integration. **(7)** Total number of hours of training provided to Snam group employees divided by the total number of employees in the year, including HSEQ and technical training activities. **(8)** The figure is cumulative for the period 2020-2023.



- 1 VALORE D**  
Snam has been a member of Valore D since 2017, an association that promotes the international growth of the company through the presence of women and colleagues of different nationalities. Thanks to this collaboration, Snam employees were able to follow courses on the valorisation of gender diversity, different generations and cultures and of developing an inclusive culture.
- 2 INGENIO AL FEMMINILE**  
In 2023, Snam participated in 'Ingenio al Femminile', which rewards female students with the best engineering dissertations, with the aim of supporting women who choose STEM study courses.
- 3 ROCK YOUR MIND**  
Also in 2023, Snam participated, as partner, in the Rock your Mind event organised by Employerland, an initiative that combines music and recruiting, mainly targeting girls studying STEM disciplines with the aim of fostering gender equality and helping to forge a culture of diversity and inclusion.

- 4 ORTYGIA BUSINESS SCHOOL – YEP**  
Snam, since 2021, has participated in the YEP - Young Women Empowerment Programme mentoring programme, of the Ortygia Business School, aimed at female students of economics and STEM faculties enrolled in a Master's degree course at major universities in southern Italy, with the objective of supporting and sustaining them.
- 5 CHARTER FOR EQUAL OPPORTUNITIES AND EQUALITY AT WORK**  
The Charter for Equal Opportunities and Equality at Work is a declaration of intent, launched by the Sodalitas Foundation, which commits Snam to spreading a corporate culture and adopting inclusive human resources policies.
- 6 PARKS**  
Parks is a non-profit association that targets companies with the aim of promoting a culture of inclusion and respect in the workplace, in the belief that valuing differences constitutes an opportunity and a competitive advantage for business.

### Training and skills development

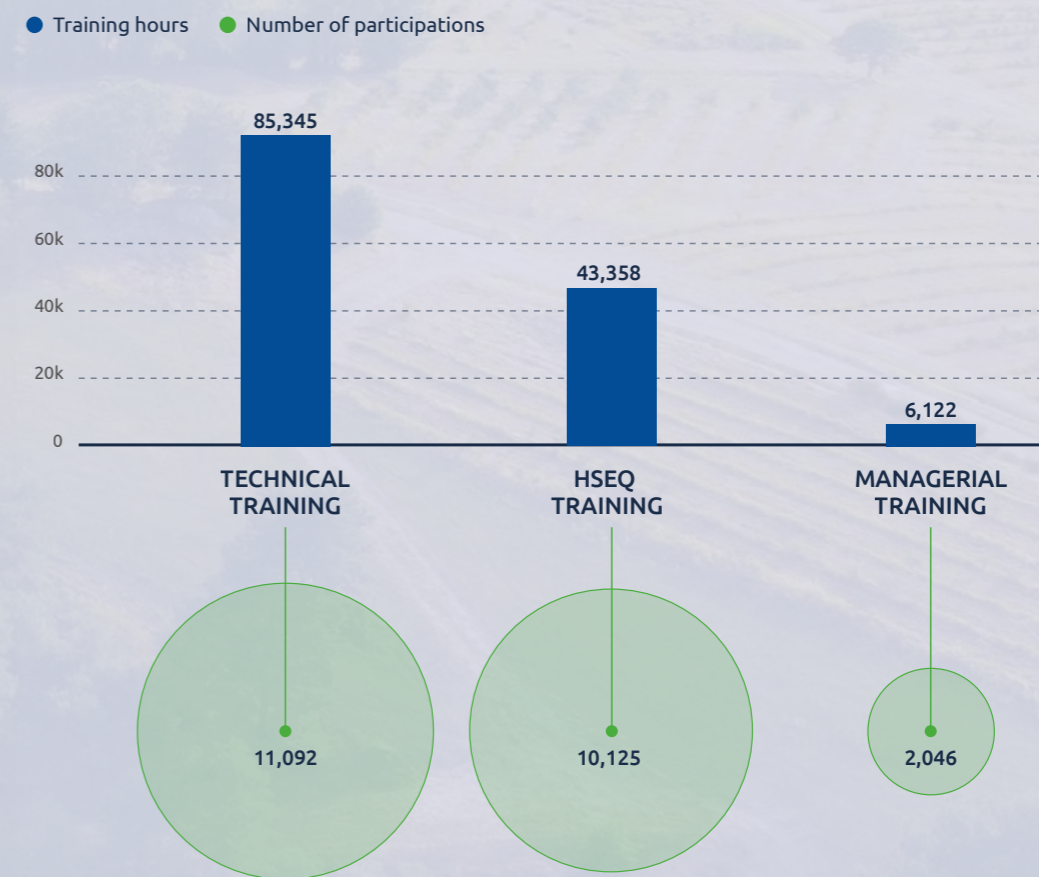
To disseminate the knowledge gained internally, Snam uses:

- **Centres of competence**  
Composed of groups of people transversal to organisational structures, who have consolidated knowledge and experience in specific thematic areas relevant to the business, the Centres of Competence oversee, develop and disseminate corporate know-how.
- **Network and plant excellence hub**  
The Network and Plant Management Departments include Excellence HUBs, which identify the most appropriate training actions for the population of technicians and provide for the design and realisation of the teaching materials. The teaching is entirely entrusted to in-house personnel, which guarantees a high level of transmission of specialised technical know-how.
- **Snam Institute**  
As innovation accelerator, Snam Institute disseminates Snam's techni-

cal know-how to make it available to everyone through training courses developed in three thematic areas: Technical, Leadership, Innovation & Transformation. In addition, the Snam Institute accompanies new recruits through the on-boarding programme.

139,614 hours of training were delivered in 2023 (+15% compared to 2022), with a significant focus on health, safety and the environment, business ethics, anti-bribery and compliance. These training opportunities are not only required by law but are also aimed at spreading business culture and ethics and legality, thereby strengthening awareness of how dangerous non-compliance is. Moreover, in the light of the progressive and continuous integration of sustainability into the company's activities, ad hoc training initiatives on the subject were organised in 2023, with the aim of developing and disseminating an ever more deeply rooted culture of sustainability.

Key training initiatives 2023





## Health and safety

Snam has adopted a management system certified according to the UNI ISO 45001 standard "Management systems for occupational health and safety" comprising procedures and systems that aim to prevent accidents and illnesses in the workplace and promote the protection and health and safety of workers. The management system covers all the employees and contractors working at Snam's infrastructure. In fact, Snam also requires its suppliers to be ISO 45001 certified, as part of the approval process for suppliers of goods and services considered critical.

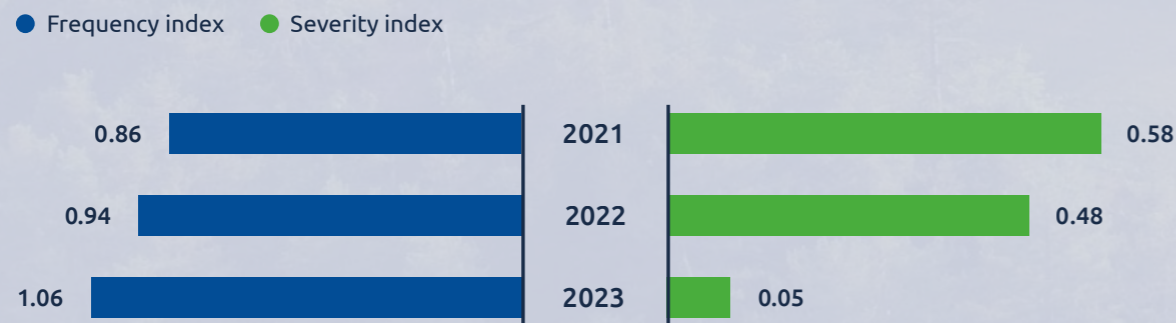
Snam adopts existing best practices and continues to direct its efforts towards reducing the Group's accident rates. This positioning was once again underlined in 2023, when the increase in the number of employee and contractor accidents (a total of 21 compared to 16 in 2022), was mostly attributable to the acquisition of new businesses that need time to adapt to the Snam Group policies and which entail, more generally, a broadening of the perimeter to be monitored. However, in spite of this increase, it should be noted

that the severity of accidents has decreased. Ensuring the creation of a safe working environment positively influences the issue of occupational health and safety. In order to pursue this objective, Snam has continued the activities of the Snam4Safety Project, which strengthens the culture of safety, through:

- the provision of courses to reinforce Safety Leadership.
- the monitoring of recorded 'Safety Observations' and 'Near Miss' data.
- the engagement of suppliers through site visits and organisation of workshops.

Moreover, Snam has always been committed to promoting actions aimed at preventing accidents or, at the very least, minimising the risk factors of work activities. It is in this direction that, over the last ten years, numerous measures and initiatives have been adopted and better finalised, in order to strengthen the effective dissemination of a culture based on awareness, health protection, accident prevention and safety.

Frequency and severity indices for employees and contractors



Number of accidents at work resulting in absence of at least one day, per **million hours worked**.

Number of work days lost, related to accidents at work (excluding during commutes) resulting in absence of at least one day, per **one thousand of hours worked**. A fatal accident is counted as 7,500 days of absence.



# Local Communities

Snam operates in the interest of and with respect for local communities, involving them in its infrastructure projects and in the achievement of the Group's targets, but also supporting the most fragile realities through the commitment made by the Snam Foundation as a team with the Third Sector.

## OUR OBJECTIVES

✔ Objective completed    ⌚ Objective in progress

Benefits for local communities on regulated revenues <sup>1</sup>	Value delivered to local communities (bln /€) <sup>2</sup>	Activities of the Snam Foundation offering support to the local communities by employees	Reduction of the amount of plastic in packaging for industrial supplies	Local suppliers (SMEs in Italy) awarded contracts compared to those under contract <sup>4</sup>
0.4% Performance 2023 ⌚	1,451 bln/€ Performance 2023 ✔	4,800 h Target 2023 ✔	-100% Target 2023 <sup>3</sup> ✔	50% Target 2023 ✔
1% Target 2024	>1,000 bln/€ Target until 2027	5,970 h Performance 2023	-100% Performance 2023	73% Performance 2023
1% Target 2027		5,500 h Target 2026		65% Target 2026

### Snam Foundation

The Snam Foundation TSO (Third Sector Organisation) is a non-profit business foundation set up in 2017 with the aim of promoting a just transition by placing the skills and capabilities developed by Snam in the energy infrastructure sector over more than 80 years of history at the disposal of the country. To this end, the Foundation works with local communities, authorities and institutions to help people reduce energy consumption, to

combat school drop-outs and support employment opportunities for young people in professions of the future, as well as to combat food waste and encourage the most vulnerable groups to adopt sustainable diets. In 2022, the Snam Foundation revised its areas of intervention, focusing on issues related to energy, food and educational poverty, with initiatives targeted at the most vulnerable areas and the social environments in which such issues develop.

**N.B.** the data refer to the entire Snam Group, unless otherwise indicated. (1) The target refers to the perimeter of the regulated sector. Based on the 'Distributed Added Value' methodology already in use, the formula sums up (i) direct donations, sponsorships and compensation (from the income statement), (ii) contributions to Arbolia and the Snam Foundation; (iii) contributions to Italian start-ups and (iv) compensation and mitigation (CapEx), divided on the sum for regulated revenues. With reference to the item "Offsets and mitigations (CapEx)", the SRG and STOGIT items "Environmental Offsetting Charges" and "Greening" are included. The figure as at 2023 is to be considered partial. Starting in 2024, Snam will undertake to track all these items and have as accurate a figure as possible. (2) Based on the 'Distributed Added Value' methodology already in use, the formula sums the following items (i) direct donations, sponsorships and offsets (profit and loss account); (ii) contributions to Arbolia and the Snam Foundation; (iii) contributions to Italian start-ups; (iv) compensation and mitigation (CapEx); (v) Dividends of Italian retail investors; (vi) Salaries; (vii) Suppliers of Italian SMEs and (viii) Local taxes (including TARI, IMU and IRAP, regional trade income tax). (3) Value referring to centralised warehouses. (4) The figure presents the one-off impacts in relation to the stipulation of small contracts (for SMEs).

## Objectives of the projects launched in 2023 by Snam Foundation

👤 Combating energy poverty

🎓 Fighting educational poverty

🍲 Fighting food poverty

🌐 Other

**NEW GEOGRAPHICAL AREAS**  
Develop several projects (Guardians of the Coast, Energy in the Suburbs, Support and Food Education in Piombino, Restart Italy) on the topics of energy, food and educational poverty on the national territory, in particular in the territories where Snam is present.

**MOTIVO DONNA**  
Experiment with a sustainable and replicable social enterprise model capable of triggering virtuous processes of resilience and social growth.

**ENERGIA IN CORTE**  
Tackling energy poverty through training activities and economic support for small streamlining measures and bill payment.

**ENERGIA INCLUSIVA**  
Supporting the community to combat energy poverty.

**CORVETTO ADOTTAMI**  
Contribute to redevelopment and the social development of the Corvetto district of Milan through three areas of intervention: Educational, Energy and Food Poverty.

**FORESTAMI**  
Support for the Milan City Council initiative to plant 3 million trees by 2030 to increase territorial resilience and counteract the effects of climate change and global warming.

**POVERTÀ EDUCATIVA ROMA**  
Promote the well-being of students in a fragile context in Rome and prevent learning loss, i.e. the loss of skills and knowledge observed in students after periods of long holidays and/or study breaks.

**LA SCUOLA CHE VORREI**  
Experimenting with methodological and thematic innovations for schools, for the realisation of an innovative and sustainable school and preventing the risk of early school leaving and the emergence of forms of hardship among the most vulnerable students.

**TESORI – TERRE SOLIDALI IN RETI INCLUSIVE**  
Spread solidarity practices related to agriculture and the protection and enhancement of the territory, including vulnerable people. Redevelop Snam's unused land for the launch of social and regenerative agriculture projects.

**WELFARE CHE IMPRESA**  
Support young entrepreneurs and their projects to generate social and employment impact particularly on social and environmental issues.

**RAGAZZE IN PRIMA LINEA**  
Encourage women to take up the Stem professions by incentivising girls to pursue targeted study paths and promote a culture of gender equality.

### Sustainability issues in relation to supply chain

Supplier One Platform is an integral part of the digital innovation path linked to the supply chain promoted by Snam and aims to introduce new technological solutions and working tools for procurement processes. By digitising and renewing the existing systems and processes, Snam has reconfigured relations throughout the supply chain, optimising the interactions with the players involved, reducing interaction times and increasing the frequency of information exchange.

Furthermore, the activation of the new Edith platform has significantly contributed to the innovation of materials management activities, with particular reference to the inspection and traceability of materials.

*With Supplier One Platform, we have optimised the relationships in the supply chain, improving interaction with suppliers, reducing the times and increasing the frequency of communications.*

### Reducing emissions together with suppliers

In order to achieve the Scope 3 GHG emission reduction targets mentioned above, Snam has carried out a careful analysis of its supply chain, assessing its potential to contain and reduce emissions in the near term. In light of the results of the analysis, Snam has launched a campaign to encourage suppliers to adopt clear plans to reduce emissions, while supporting projects to promote emerging technologies aimed at increasing the use of green fuels and renewable energy in production processes and/or as fuel for fleets.

Snam actively supports suppliers in the early stages of their emission reduction journey through specific training programmes (including ESG education) and one-to-one interviews, allowing it to offer solutions and provide suppliers with the Group's well-established expertise and best practice benchmarks in this area.

### The path to join Snam's Supply Chain 4.0

In the qualification process, Snam evaluates the suitability of suppliers, in particular for critical suppliers, verifying their current capabilities and future potential, according to criteria of objectivity, transparency and traceability, attributable to the following aspects:

#### ENVIRONMENT

Commitment to environmental protection.

Presence of an environmental management system compliant with the ISO 14001 standard (mandatory requirement for critical suppliers, i.e. with criticality level A and B).

#### SOCIETY

Promotion of working conditions that respect health and safety requirements.

Absence of forced labour and child exploitation.

#### GOVERNANCE

Ethical and reputational profile.

Commitment to fight corruption.

Presence of a health and safety management system compliant with the ISO 45001 standard (mandatory requirement for critical suppliers, i.e. with criticality levels A and B).

#### MATERIALITY OF THE BUSINESS

Technical and management skills.

Economic and financial reliability.

Presence of a quality management system compliant with the ISO 9001 standard (mandatory requirement for critical suppliers, i.e. with criticality level A and B).

The consideration of ESG factors is of significant strategic importance for the ethical conduct of procurement management, as well as an optimal lever for the efficiency of the entire supply chain. On the basis of this, even before compliance with the requirements of quality, price and reliability, suppliers are required to make a formal commitment to comply with the contents of Snam's Code of Ethics and the Ethics and Integrity Pact.

Moreover, the Company actively promotes respect for legality, the fight against corruption, safe working conditions and the protection of human rights, as set out in the Human Rights Policy, the Anti-Corruption Guidelines and the Anti-Corruption Policy, which all suppliers must adhere to in all phases of their collaboration.



# Transformative innovation

The constant propensity for innovation and digitalisation, together with the search for levels of excellence in terms of security, artificial intelligence and big data, contributes to the continuous improvement and efficiency of Snam's infrastructures and activities.

## OUR OBJECTIVES

🟢 Objective completed    🟡 Objective in progress

Investment in innovation out of revenue <sup>1</sup>	Accelerated start-ups after PoC <sup>2</sup>	Digitized and AI-enabled processes out of the total number of IT applications (%) <sup>3</sup>	Projects covered by the Cyber Security by Design approach (%) <sup>4</sup>
3.3% Performance 2023 🟢	11 (22 PoC) Performance 2023 🟡	100% Digitised Processes Performance 2023 🟢	
3% Target 2024	15 (25 PoC) Target 2024	100% Target 2024	100% Target 2027
3% Target 2027	27 (30 PoC) Target 2027	10% IT applications with AI Performance 2023 🟡	100% Target 2027
		12% Target 2024	27% Target 2027

### SnamTEC

Snam's commitment to innovation has always been spread across many different areas. To formalise all the various facets, in 2018 Snam launched SnamTEC, a programme designed to build the energy company of the future. Aimed at driving the Group's innovation and digitisation, it boasts a total of 50 projects with the active involvement of more than 200 people committed to the joint pur-

suit of four macro-objectives: Safety; Asset resilience; Process optimisation and activities to improve business sustainability. The many innovations introduced include predictive maintenance, the application of artificial intelligence to the operational management of network assets and the use of big data to support decisions relating to industrial processes.

**N.B.** the data refer to the entire Snam Group, unless otherwise indicated. (1)The figure takes into account capital and operating expenditure for transformative innovation, divided into 'Open Explorative Innovation', which is related to R&D projects, venture capital, pilot projects and feasibility studies, and 'Proven Exploitative Innovation', which includes investments in existing innovation projects and SnamTEC. The value of CapEx and OpEx is divided by the total revenues for the year to obtain the percentage of revenue. (2) Proof of Concept. The KPI considers the number of accelerated/scaled-up start-ups, after the development of a Proof of Concept, if applicable. The figure is cumulative for the period 2022-2027. (3)The KPI includes in 2 numbers the amount of processes identified to be digitised and those using AI: the first number is the percentage of processes already digitised; the second number represents the number of IT applications that use or are supported by AI out of the total number of IT applications. (4)Percentage of projects covered by the Security By Design process, compared to the new project initiatives included in the plan at the beginning of the year and whose developments were initiated in accordance with this planning.

## SECURITY

### Aerial surveillance of pipelines for network monitoring with satellites and drones

Satellite testing continued as part of the aerial surveillance of pipelines.

### T-LAB - SnamTEC Laboratory

Laboratory for testing new innovative technologies to support Snam's core business, in which experimentation continued on a system for detecting leaks and third-party interference on the gas pipeline laying route (excavations, drilling, etc.), which envisages the use of

the existing fibre optics accompanying the gas pipelines on the primary gas transportation network.

### Pressure Intelligent Monitoring System (PIMOS)

A system to detect and locate gas leaks along the transportation network based on the analysis of pressure waves and the detection of possible disturbances and their propagation time.

## SECURITY ASSET RESILIENCE

### Asset Control Room

Project aimed at improving and innovating asset management and operation thanks to a single data platform, intuitive, easy to navigate user interfaces with integrated data (digital twin) and thanks to end-to-end process views that abandon

the classical silo logic of traditional information systems and their databases.

### Telediagnosics

Asset telediagnosics data acquisition and processing project.

## PROCESS OPTIMISATION

### Study of SmartPipeline and SmartPlant solutions

SmartPipeline is a plant solution aimed at making the gas transportation network increasingly intelligent, through the identification and installation of new digital diagnostic and operating equipment.

in booster or storage plants that is currently unavailable, as well as defining and optimising the supervision and maintenance logics for each device.

### Evolution of Cartographic Systems

The project involves the implementation of new mapping solutions, preparatory to the adoption of the BIM (building information modelling) methodology in the company.

Smartplant, to which the concepts of the SmartPipeline are extended, is aimed at identifying new digital instrumentation for collecting data from the field,

## ACTIVITIES TO IMPROVE BUSINESS SUSTAINABILITY

### Energy optimisation for grid set-ups and compression

Project carried out in collaboration with the Politecnico di Milano, with the aim of developing an application solution capable of determining the best turbocharger set-up and suggesting the set-up changes to be made to individual thrust and storage machines, with the ultimate goal of reducing fuel consumption and CO<sub>2</sub> emissions.

excess production compared to the same).

### Reducing and accounting for methane emissions

Initiatives aimed at reducing and correctly accounting for methane emissions into the atmosphere.

### Power to Hydrogen (P2H)

A process through which the electricity produced by renewable sources that is surplus to immediate consumption is transformed into hydrogen to be injected directly into the network. In this context, feasibility studies have been completed covering the entire chain of hydrogen production from green energy produced by solar fields and the upgrading of Snam Rete Gas regulation and reduction plants with the installation of electrolysers.

### Turboexpanders

Use of the energy generated by the decompression of natural gas from the network during pressure jumps upon redelivery from the national to the regional or local network, by means of special turbocompressors (plants that allow the production of green electricity intended to cover internal consumption or to be injected into the grid in the event of

## Cyber security

With a view to a holistic and integrated model of security risk management, the Global Security & Cyber Defence department, identifies reference standards and establishes technical guidelines and methodologies, as well as ensuring the design, implementation and management of activities relating to the following areas:

- **Physical & Personnel Security**  
Prevention and reduction of potential security risks to people and the company's physical assets.
- **Information & Cybersecurity**  
Safeguarding and protecting corporate information assets.
- **Security Intelligence**  
Processing of information useful for current and future business decisions, for the defence of rights, people, tangible and intangible corporate assets.

- **Investigation & Forensics**  
Investigation activities, also carried out with the support of qualified professionals, against internal or external threats, also using IT tools.

Snam has developed the Cyber Security Incident Management & Intelligence model. This model is overseen by the Security Incident Response Team, which operated non-stop in 2023, delivering its support service on a 24/7 basis. Over the same period, the Team also handled 6,737 security events and 2,200 Cyber Threat Intelligence alerts. The model utilises tools for collecting and correlating all security events recorded across the company's IT infrastructure, making it possible to prevent, monitor and, if necessary, target timely remedial action. In addition, in compliance with formal agreements signed between the Parties, information is also shared with national and Eu-

*Snam is aware of the significance and the benefits related to the advent of Artificial Intelligence systems in the context of the evolution of technologies and the way human beings can interact with them, bringing value to their work. The company is also aware of the risks associated with such technologies if they are not used responsibly. Therefore, Snam has issued internal instructions on the ethical use of artificial intelligence, providing for compliance with core issues relating to the protection of confidentiality, the integrity of corporate assets and the protection of the personal data of those concerned.*



ropean institutions and peers, with the aim of increasing the capacity and speed of response to possible security incidents. Finally, with a view to safeguarding the continuity of processes related to the provision of essential services to Italy's economy, a series of initiatives were completed in 2023 to improve the effectiveness of emergency communications and strengthen the resilience of applications supporting the most critical operation processes.

## Snaminnova and the Open Innovation Hub

In 2023, Snam launched the third edition of SnamInnova, an initiative dedicated to Sustainability, which this year focused on the concept of "Sustainable Together". Two initiatives were launched through SnamInnova: the Centrale delle Idee (the Power Plant of Ideas) project collected more than 140 ideas for good sustainability-related practices that could be easily adopted in companies, as well as innovative projects and ideas that could be developed through entrepreneurship. Call4Partner, meanwhile, is aimed at promoting greater awareness of sustainability goals through the identification of projects, initiatives and concrete solutions to be implemented together with partners to achieve decarbonisation targets. During this third edition, Snam has further strengthened its position within the Open Innovation ecosystem through the activation of an antenna service in Israel. Thanks to this outpost on the ground, a direct connection with local players was created, increasing exposure to new technologies and innovation trends. During the year, Snam worked on two specific scouting projects to seek solutions in the decarbonisation area with a particular focus on hydrogen and energy storage, and in the biomethane area, also through R&D collaborations and the selection of startups through the HyAccelerator incubator.

### Snaminnova main indicators 2023

**50**  
Projects completed

**>50**  
Innovation Ambassador: employees involved

**+2,000**  
Startups met in the last 2 years

**134**  
Centrale delle idee: employees involved

### CALL4PARTNER

**86**  
Ecosystem nominations of Snam's partners

**45**  
Proposals received

# Designing the future

Snam has set out its 2023-2027 Strategic Plan, which highlights its distinctive characteristics as a strategic player for the realisation of a secure and fully sustainable energy transition.

## 2023-2027 Strategic Plan

Snam's 80 years of technical and engineering experience and its role as a transportation system operator at the forefront of innovation and the development of programmes in favour of the spread of hydrogen make it one of the companies best placed to make a significant and successful contribution to

the energy transition against a backdrop of ongoing consolidation of supply security. Snam has progressively integrated the energy transition businesses with those of the regulated sector, to the point of making them synergic and interconnected, with the aim of creating a multi-molecule pan-European infrastructure that ensures energy se-



curity at national and European level, guaranteeing diversified supplies over the long term.

In order to achieve this ambitious goal, Snam plans to invest €11.5 billion over the Plan time horizon (+15% compared to the 2022-2026 Plan) earmarked for the gas infrastruc-

ture business - transportation, storage and regasification - and the energy transition platform - biomethane, CCS, hydrogen and energy efficiency. 37% of these investments will be aligned with the EU Taxonomy and 58% of them are aligned with the SDGs.

## Investments are aligned with the Taxonomy and the Sustainable Development Goals as follows:

Planned investments for the 2023-2027 Plan



We promote energy security and decarbonisation through infrastructure: Part of how Snam will achieve the goals established in the Strategic Plan is through collaboration with its subsidiaries – grouped into clusters to reflect their role with respect to short-

and medium- to-long-term strategic objectives – as well as by maintaining its ongoing commitment across the various sustainability aspects monitored in the Sustainability Scorecard and to Snam Foundation activities.

*To achieve all the objectives set out in the Strategic Plan, starting from the business ones, two enabling strategic levers have been identified in particular: sustainability and innovation.*



### Sustainable finance and SDG investments

In 2018, Snam began to align its financial strategy with the Group's sustainability objectives to consolidate its role in the energy transition, attract diversified investors and promote ESG initiatives. This commitment was also reflected in the setting of a target to increase the weight of sustainable finance in total funding to 80% by 2026, achieved in 2023 three years early. The target was raised to 85% by 2027 in the 2023-2027 Strategic Plan.

#### Sustainable Finance Framework 2024

Significant developments in the sustainable finance markets and the recent macroeconomic and geopolitical changes have underlined that the path undertaken by Snam is the right one, leading to further commitments and, in particular, the new Sustainable Finance Framework, published in February 2024. The Framework will guide the Group's financial strategy, enabling it to issue green (use of proceeds) and sustainability-linked financial instruments.

- **Use of proceeds**  
Going beyond the previous EU Taxonomy-aligned Transition format, it increases

the focus on low-carbon infrastructure and includes additional project categories (such as carbon capture and storage – CCS, among others), all of which are selected in accordance with the EU Taxonomy criteria.

- **Sustainability-linked format**  
They represent any type of instrument for which the economic performances change depending on whether or not the issuer achieves pre-defined sustainability performance targets by a certain date. In line with its Sustainability Strategy, Snam has selected 4 KPIs: Reduction in natural gas emissions; Reduction in greenhouse gas Scope 1 and 2 emissions; Reduction in Scope 3 emissions; Women in executive and management positions.

#### The European Taxonomy applied to Snam

Since the first developments of the European Taxonomy, Snam has welcomed the direction defined by the European Commission, in line with the strategy and investment choices of the Company, aimed at decarbonisation and the creation of a low-carbon economy.

Economic activities (mln/€)



# Snam's governance and principles

Thanks to a robust governance structure, we conduct our activities with integrity and transparency, and fight corruption, favouring close interaction with the surrounding context and our stakeholders.

## The BoD

The Board of Directors plays a central role in the Company's corporate governance structure, establishing its strategic, organisational and control policies, as well as those of the Subsidiaries, and monitoring their implementation.



## Articles of Association

In 2021, Snam's Articles of Association were amended by the Shareholders' Meeting to formalise the company's commitment to the energy transition and sustainable success. This commitment is reflected in the pursuit of long-term shareholder value and in meeting stakeholder interests.

## The Committees

The Board of Directors has set up three Committees: the Control and Risk and Related-Party Transactions Committee, the Appointments and Remuneration Committee and the Environmental, Social & Governance and Energy Transition Scenarios Committee. The Control and Risk and Related-Party Transactions Committee performs advisory and investigative functions for the Board of Directors, supporting decisions on internal control and transactions involving directors' interests; the Appointments and Remuneration Committee has an advisory, recommendatory and informative role for the Board of Directors on the composition, size, gender parity and remuneration of directors and committees; the Environmental, Social

& Governance and Energy Transition Scenarios Committee performs investigative, recommendatory and advisory functions for the Board of Directors on sustainability and long-term energy transition scenarios.

## Snam's remuneration and incentive system

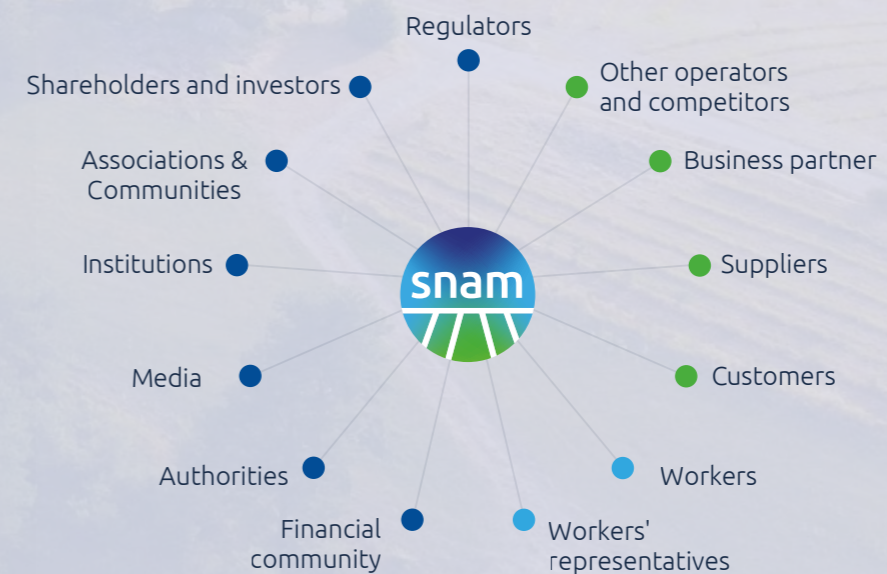
With a view to providing all stakeholders with better information and clarity, disclosure was consolidated in terms of the link between the Remuneration Policy and the 2022-2026 Strategic Plan. In addition, new targets have been incorporated into the incentive plans, including both short-term (IMA) and long-term (IALT) metrics related to ESG criteria and Energy Transition Readiness.

## Stakeholder relations and materiality analysis

Snam fosters a collaborative relationship with all its stakeholders aimed at dialogue and active listening, developing tools and engagement actions that strengthen trust and inclusion and mutual growth.

The stakeholders belong to various groups:

- Social, political and financial scope
- Operational and business scope
- Company





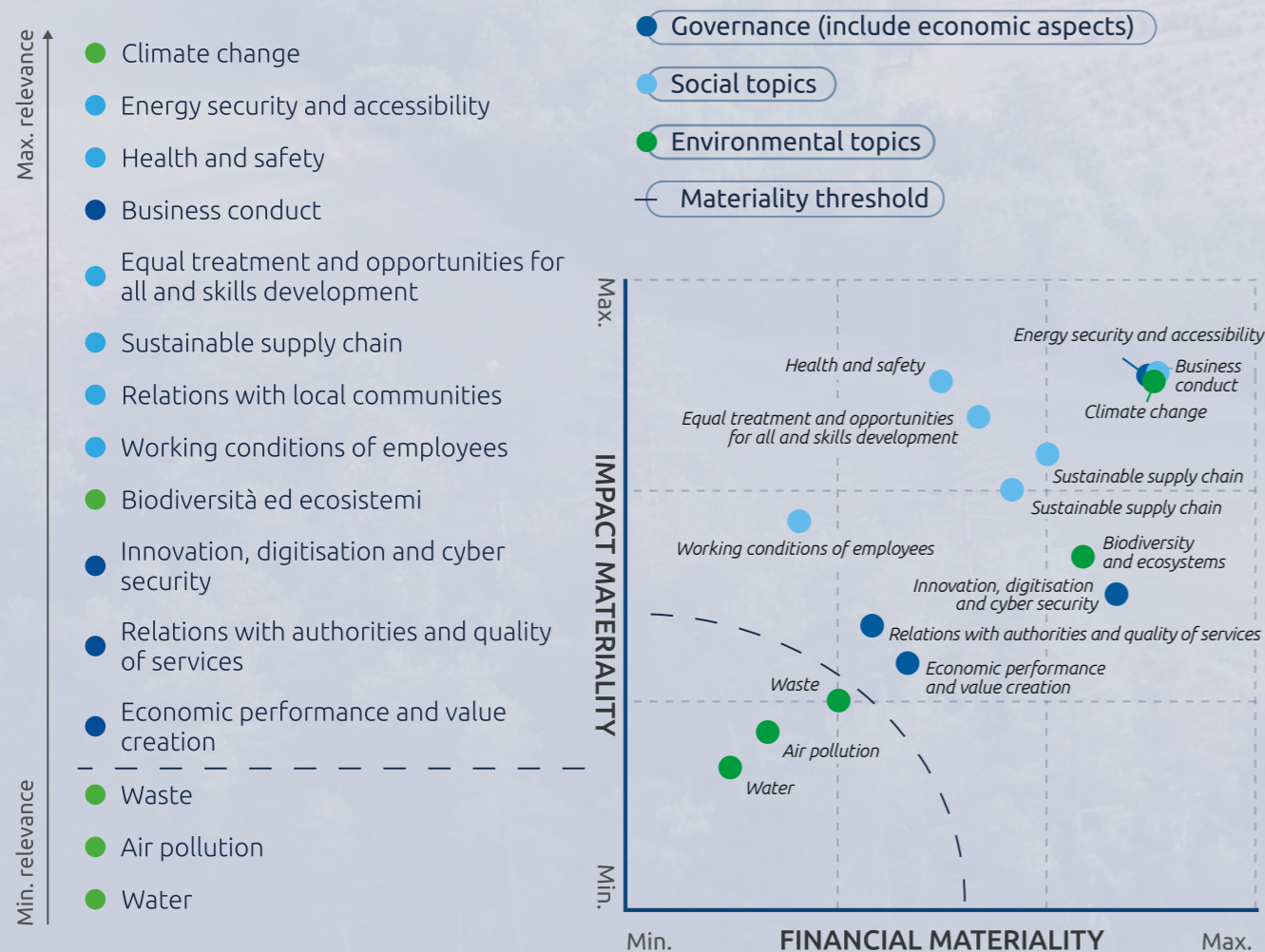
Each year, Snam conducts an in-depth analysis in accordance with sustainability reporting standards to ensure the Group's activities, performance and impacts are accurately represented. The process for defining and updating the material topics for 2023 included the following activities:

- Understanding the context in which Snam operates;
- Identification of sustainability issues and related impacts, risks and opportunities for assessment;
- Assessment of impacts, risks and opportunities by top management and stakeholders;

- Aggregation of results and definition of material topics and related impacts, risks and opportunities for Snam.

Snam's list of materiality topics was updated using the impact materiality table, distinguishing between material topics and those below the materiality threshold. The results of the assessments, based on the dual perspective of impact and financial materiality, are shown in the double materiality matrix, guided by the new requirements of the Corporate Sustainability Reporting Directive (CSRD).

### 2023 Impact Analysis



### CSRD

With the aim of anticipating the requirements of the Corporate Sustainability Reporting Directive (CSRD) in force from 2024, Snam restructured its sustainability reporting as early as 2023, integrating into the NFS the information relating to Snam's governance and sustainability strategy, management of impacts, risks and opportunities, and materiality analysis. This was done in order to proactively respond to the provisions of the new European Sustainability Reporting Standards (ESRS). Snam reviewed its sustainability topics according to new standards, including compliance with ESRS reporting and the CSRD: an analysis was carried out to integrate information required by the new reporting standards, involving the responsible functions to verify the alignment of the data and the reporting processes.

### Main Snam policies and guidelines

Snam has implemented a wide range of policies and guidelines on issues such as environment, people, suppliers, community, human rights, tax, legality and governance. These establish specific actions and objectives to align the Group's operations with the highest regulatory standards and ethical principles. For further information on the policies adopted by Snam, please refer to Annex 2 – Snam's Main Policies and Guidelines in the Non-Financial Statement.

With a view to strengthening the reporting process, the 2023 Non-Financial Statement was subjected to a limited assurance conformity assessment, with extended audit activities on direct GHG emissions (Scope 1) and indirect GHG emissions from energy consumption (Scope 2), for which a full review (reasonable assurance) was performed by the appointed independent auditors Deloitte & Touche S.p.A.

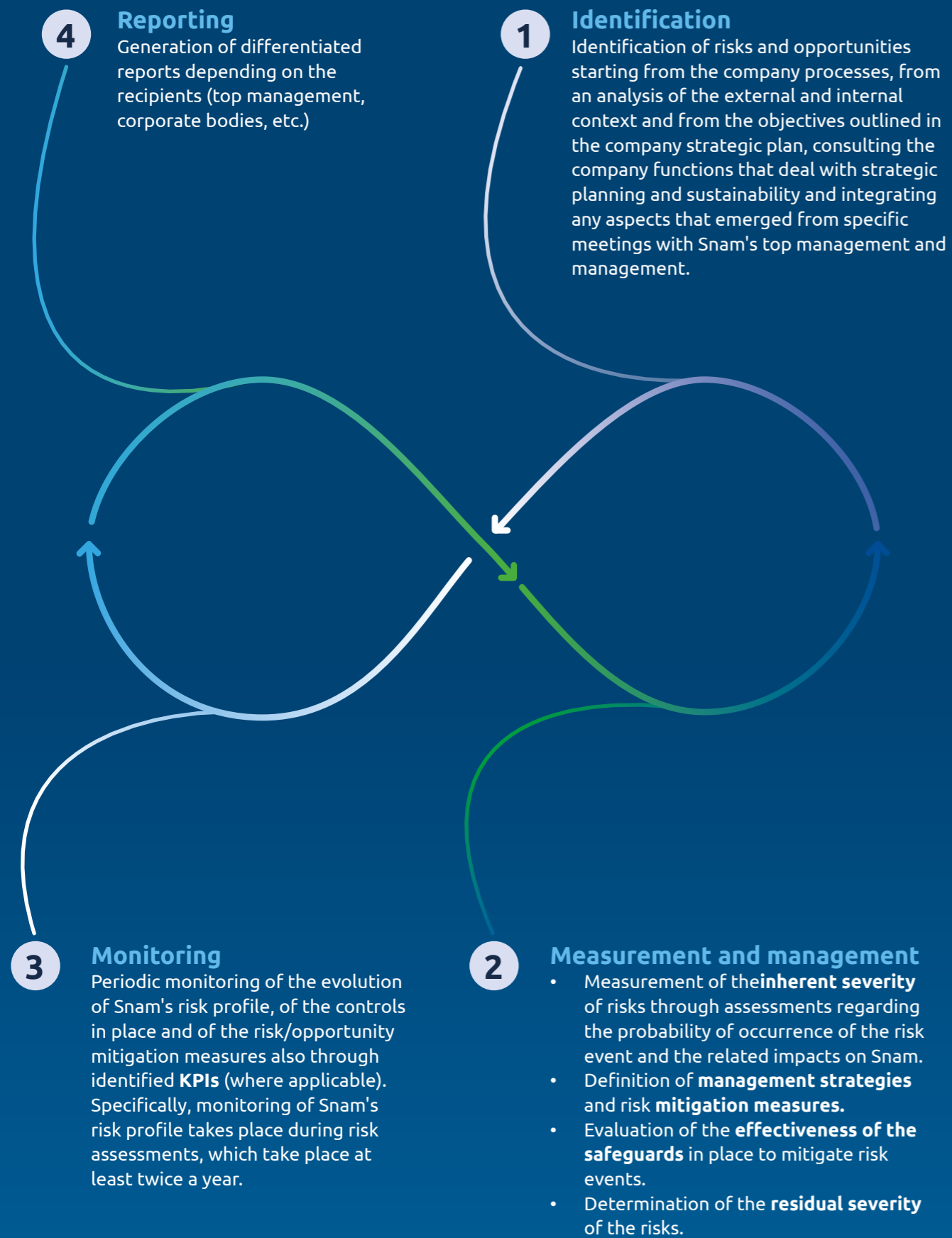
### Acting in accordance with business ethics and anti-corruption principles

Snam has adopted and effectively implemented a Management System for the Prevention of Corruption in accordance with UNI ISO 37001:2016 (Anti-Corruption Management System), namely its Anti-Corruption Compliance Programme. This allows Snam to identify and assess corruption risks inherent to the exercise of its business activities in order to prevent the violation of relevant internal and external regulations.

With a view to preventing and combating corruption by and against the company, the choice of suppliers and business associates and the management of relations with them and the relevant contractual protection clauses involve three levels of action:

- **Anti-corruption due diligence**  
Before entering into any type of relationship with a Business Associate, the Function concerned must request Due Diligence
- **Ethical and integrity agreement**  
When business associates are suppliers or subcontractors, they are required to share and respect the company's inalienable principles of legality, responsibility and business ethics in the management of their activities
- **Contractual clauses**  
The contractual clauses commit Business Associates to respect the principles of the Code of Ethics, Anti-Corruption Policy, Anti-Corruption Guidelines and Rules, and provide the Company's right to terminate the relationship in the event of breach of the signed obligations and applicable regulations.

**The ERM process specifically consists of the following steps:**



**Managing Impacts, Risks and Opportunities**

The Head of Enterprise Risk Management (ERM) leads a unit that plays an essential role in the integrated management of the corporate risks in all Group companies. The results of these assessments are presented to the various control and governance bodies of Snam, including the Control and Risk Committee, the ESG Committee, the Board of Statutory Auditors and the Board of Directors. In addition, they are shared with the internal functions, such as Internal Audit and Strategic Planning and Sustainability.

The ERM unit promotes a culture of risk prevention by training board members and employees on the application of risk management methodologies and the evolution of the ERM Model. These initiatives aim to create awareness of corporate roles and responsibilities and to present the ERM model and risk assessment methodology.

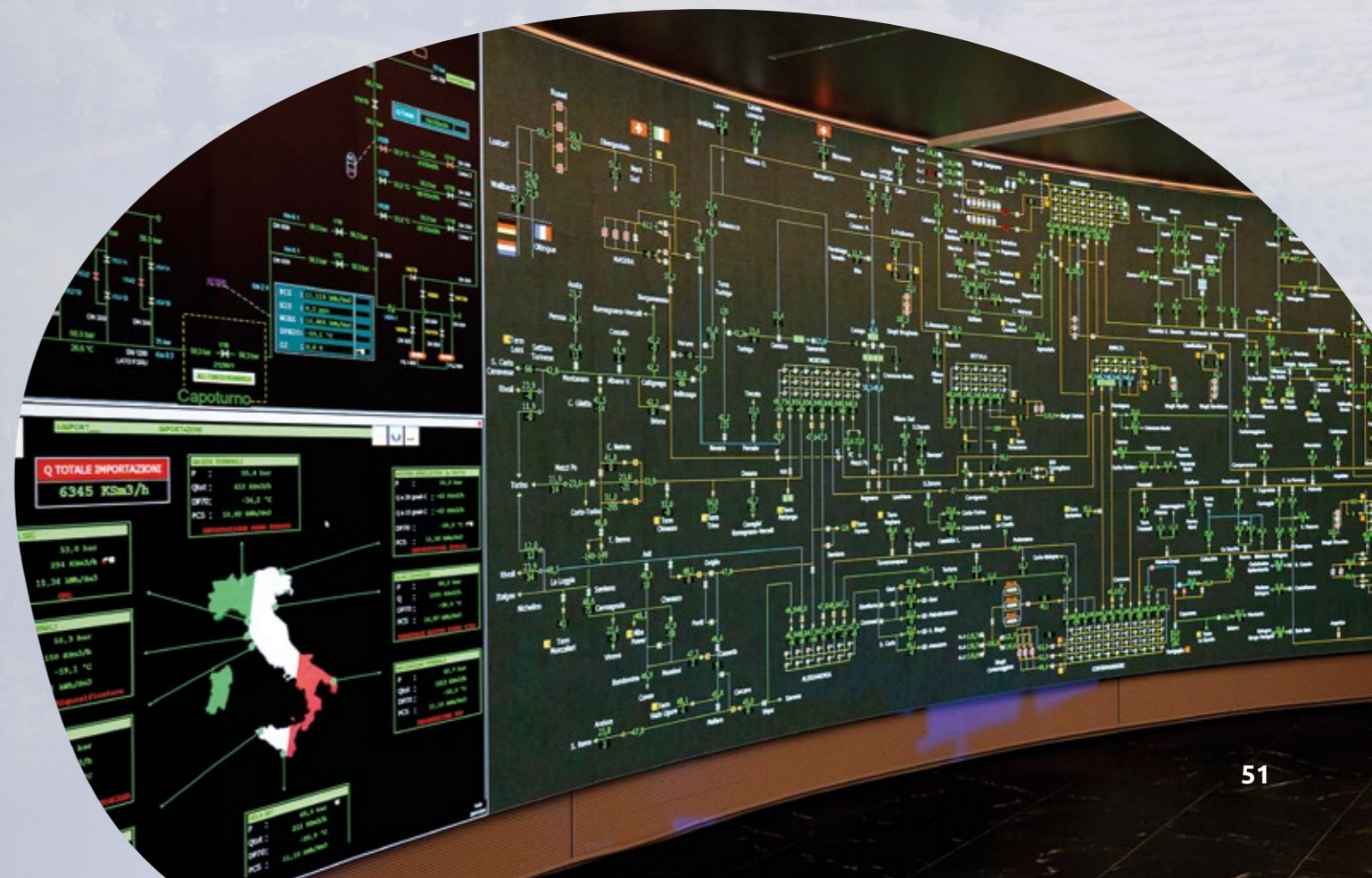
Risks and opportunities are identified starting from the business processes, an analysis of the external and internal contexts and the objectives outlined in the company's strategic plan. They are then prioritised taking into

account residual severity values and are classified into financial, operational, legal and compliance and strategic. Combining the inherent severity with an assessment of the effectiveness and adequacy of the measures taken to mitigate the risk yields the residual severity, which represents the actual exposure to a specific risk. At the end of 2023, 131 risks and 47 opportunities were mapped across all business processes.

**Climate change risk assessment**

In 2023, Snam integrated a Climate Change Risk Management (CCRM) framework into the ERM Model to better manage risks and opportunities related to climate change, thereby increasing business resilience. The CCRM addresses physical (e.g. floods, fires) and transitional (e.g. political, legal, technological, market) risks.

We assess the physical and transitional impacts of climate change considering area and company-related specifics and use different approaches and tools based on the expected life of assets and timeframes (short, medium, long term) identified in the Climate Change Risk Management process.



# Ratings, awards and accolades

Snam also renewed its commitment to ESG issues in 2023, confirming its position among the leading sustainability and ESG rating indices. This contributes to greater comparability with competitors and increases visibility to investors and the financial market. SRI (Sustainable and Responsible Investment) investors make up 47.3% of institutional investors and 20.8% of the total shareholder base.



## Italy's Best Employers

Since 2021, Snam has been one of the companies certified as Italy's Best Employers, the ranking created by Corriere della Sera in collaboration with Statista. In 2024, the Company ranked second in its sector.



## Italy's Best Employers for Women 2022-2023

The German Institute for Quality and Finance, in collaboration with Ubermetrics Technologies and the Institute for Economic and Management Research, conducted Italy's Best Employers for Women 2023 for the third year in a row, in which Snam took second place among companies in the plant and energy systems sector. The study identifies the best employers for women in Italy, comparing over 2,000 companies using artificial intelligence software.



## STEM Universum (Professional)

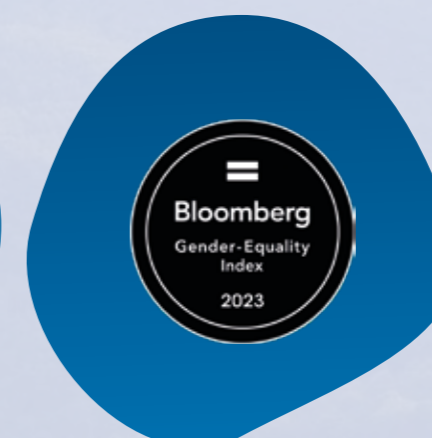
Every year, Universum awards a prize to all companies that rank as 'Most Attractive Employers', including those in the STEM field. As evidence of the company's growing commitment to fostering these disciplines, Snam won several awards in the 'Energy' sector during 2023, ranking:

- **third place** in the Young STEM Professionals category;
- **second place** in the Young Professionals and Business Students category;
- **fifth place** in the STEM student category.



## Caring Company®

Since 2022, Snam has been a Lifestream's Caring Company®, because it is able to recognise and embrace the fullness of life of its people, with an eye to innovation and the future, while also contributing to the growth and cultural change of the country. Snam is a Caring Company® because it has forged a positive synergy between private and work life over the years. Thanks to the new agreement on remote working, it has promoted an evolving leadership model and invested in the continuous growth of its people.



## Bloomberg Gender-Equality Index (GEI) 2023

For the fourth consecutive year, Snam is among the 418 companies included in Bloomberg's Gender-Equality Index (GEI), the index that measures the performance of companies in terms of gender balance, inclusion and data transparency. Compared to 2021 results, the ranking improved by about two percentage points to 79.07% (GEI score) and grew especially in the sections policy against harassment at work (+20.0%), equal pay (+5.88%) and pro-women brand (+5.36%).



## Webranking Europe 500

Among the year's media awards and accolades, Snam was ranked second in the Webranking Europe 500 for corporate and financial digital communication compiled by Lundquist in cooperation with Comprend. The award recognises Snam's distinctive approach to digital communication, which excels in the About Us and reporting sections where it is a top performer. The level of transparency of its communication, which is also rewarded for the Investor Relations and Sustainability sections, also makes it a leader within the energy sector in Europe.

## Innovative supply chain management: the 2023 awards

### The Procurement Awards 2023

Snam won awards in the categories "Innovation in Procurement", "Inter-functional Team Purchasing" and "Best Negotiation Practices"

### Circular Procurement Awards 2023

Snam won an award in the "Environmental Protection" category by Business International, of the Fiera Milano Group, for its transport portal project, which promotes the dematerialisation of transport documents and the scheduling of discharges

### Excellence Award 2023

The Group received the Gold Award in the "Under 30" and "Third Party Risk Management" categories from Adaci, the Italian Association of Purchasing and Supply Management

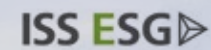
## ESG Rating



Snam has been confirmed for the third consecutive year on the A list of CDP (formerly the Carbon Disclosure Project), one of the most important international non-profit organisations on climate change. The company was confirmed at the top of the list, along with 346 companies out of 21,000 analysed, testifying to its strong commitment to climate change and energy transition issues.



Snam has joined the CDP Supplier Engagement Rating (SER) for the sixth consecutive year, the CDP program aimed at involving its supply chain in the climate change questionnaire. Snam obtained a score of A, demonstrating its commitment to its suppliers' engagement activities on issues related to the reduction of emissions and the development of sustainable strategies.



Snam was confirmed in 2023 at the "PRIME" level by ISS ESG, with a score of B.



Snam was confirmed in the Sustainalytics ratings in February 2024, further improving its score and ranking first out of 96 companies in the sector: the risk rating dropped from 14.1 to 12.9.

## Sustainability indices

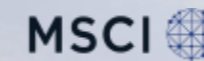


In November 2023, Snam's title was reconfirmed in the Dow Jones Sustainability World Index, by S&P Global, the world's most important stock market index assessing corporate social responsibility. The result of 82 points places the company in third place within the Gas Industry sector.



FTSE4Good

In 2023 Snam was confirmed in the FTSE4good, with a slightly declining performance (3.7 vs. 3.8 in 2022)



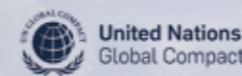
In October 2023, Snam was confirmed as one of the leading companies by MSCI, achieving AA confirmation.



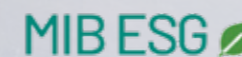
Snam's title confirmed for the 12th consecutive year in the STOXX Global ESG Leaders Indices.



Snam was also confirmed in 2023 in the Vigeo indices, a company part of Moody's ESG group, increasing its score to 68/100 points (up from 66 in 2021). The evaluation for inclusion in the indices takes place every two years.



Snam is present for the fifth year running, in the United Nations Global Compact 100 index, which includes the 100 companies that have distinguished themselves at global level both for attention to sustainability issues and to financial performance, and that adhere to the ten fundamental principles of the United Nations on human rights, labour, environment and anti-corruption issues.



Snam was confirmed in the FTSE MIB ESG index, the first ESG index dedicated to Italian blue-chip companies that rewards the most effective sustainability practices. The index, activated in collaboration with Vigeo Eiris, a Moody's ESG Solutions company, identified the top 40 Italian listed companies that have demonstrated perfect integration between economic performance and ESG criteria, in line with the principles of the United Nations Global Compact.



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