



REPORT ON
CORPORATE
GOVERNANCE
AND OWNERSHIP
STRUCTURE
2023



REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE 2023

Pursuant to Article 123-bis of Legislative Decree
no. 58 of 24 February 1998

(traditional administration and control model)

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INTRODUCTION

This report, approved by Italgas' Board of Directors on 12 March 2024, offers a picture of the corporate governance system adopted by the Company (the **"Report"**).

The Report opens with an overview aimed at providing "in a nutshell" the most important and relevant information and figures on the Italgas corporate governance model, on the Company and Group's specific management features and on the trend in the Italgas share price in the financial year 2023 (*i.e.* the **"Financial Year"**) including by means of graphs and tables.

The information contained in this Report refers to the Financial Year and, in relation to specific matters, has been updated as at 12 March 2024, which is the date of the Board meeting that approved it.

The Report has been prepared taking into account, inter alia, (i) the applicable regulations (including Article 123-bis of the CLF "Corporate Governance and Ownership Structure Report"); (ii) the principles and recommendations of the CG Code (see Chapter 3 of this Report); (iii) Borsa Italiana's "Format of the Corporate Governance and Ownership Structure Report" (IX Edition of January 2022).

This Report is published and available for consultation on the Company's website: <https://www.italgas.it/en/governance/>.

OVERVIEW

A) PURPOSE



Pioneers by passion and builders by calling, we bring all our energy to accelerate the ecological transition

Italgas' purpose expresses the Group's centrality in promoting the fundamental role of digital, smart and flexible gas distribution networks in the energy transition process towards a decarbonised and circular economy, contributing to the development of renewable gases such as biomethane and hydrogen. Italgas aims to improve service quality, make cities increasingly sustainable and generate long-term value for customers, the market, the territory and all its stakeholders, while respecting the environment.

B) ITALGAS GROUP'S MAIN HIGHLIGHTS

HIGHLIGHTS - ECONOMIC AND FINANCIAL

1,774.8 mln € **1,183.7** mln € **681.2** mln €

Adjusted total revenues
1,537.3 MI € in 2022 (+15.4%)

Adjusted EBITDA
1,082.7 MI € in 2022 (+9.3%)

Adjusted EBIT
622.8 MI € in 2022 (+9.4%)

439.6 mln € **906.5** mln € **555.2** mln €

Adjusted net profit
attributable to the Group
395.7 MI € in 2022 (+11.1%)

Technical investments
814.3 MI € in 2022 (+11.3%)

Cash flow from operating
activities
571.7 MI € in 2022 (-2.9%)

6,634.3 mln € **6,555.2** mln € **0.352** mln €

Net financial debt
6,000.1 MI € in 2022 (+10.6%)

Net financial debt
(excluding the effects
pursuant to IFRS 16)
5,928.1 MI € in 2022 (+10.6%)

Proposed dividend
0.317 MI € in 2022 (+11%)

HIGHLIGHTS - OPERATING

2,050
Municipalities **7.974** MI **82,034** Km

Municipalities in Gas
distribution concessions
2,044 in 2022 (+0.3%)

Number of active meters
7.959 MI in 2022 (+0.2%)

Distribution network in
operation
81,309 km in 2022 (+0.9%)

HIGHLIGHTS - SUSTAINABILITY - PLANET

150.3 $10^3 \text{ tCO}_2 \text{ eq}$ **129.0** $10^3 \text{ tCO}_2 \text{ eq}^{**}$ **425.0** TJ

Scope 1 and 2 market-based
148.1 $10^3 \text{ tCO}_2 \text{ eq}$ nel 2022*
(+1.5%)

Scope 3 supply chain
137.5 $10^3 \text{ tCO}_2 \text{ eq}^{**}$ nel 2022*
(- 6.2%)

Net energy consumption
480.7 TJ nel 2022* (-11.6%)

7,895 million Sm^3 **0.0538** **0.089** %

Volumes of gas distributed
8,233 milioni di sm^3 nel 2022*
(-4.1%)

Energy intensity
0.0584 in 2022* (-8.6%)

Gas leakage rate
0.087% in 2022* (+0.002 pp)

72.8 Sm^3/km
network

99.2 %

97.3 %

Fugitive emissions (Sm^3/km
network)
90.5 sm^3/km rete** in 2022*
(-19.6%)

Of waste produced by the
Group sent for recovery
97.6%** in 2022* (+1.6 pp)

Of waste produced by
contractors sent for
recovery
94.5%** in 2022* (+2.8 pp)

HIGHLIGHTS - SUSTAINABILITY - PEOPLE

28.8 % **20.3** % **173,330** hours

Women in positions of
responsibility
24.7%** in 2022* (+4.1 pp)

Presence of women in the
company
19.7% in 2022* (+0.6 pp)

of training provided
132,396 in 2022* (+30.9%)

HIGHLIGHTS - SUSTAINABILITY - PARTNERSHIP

Sustainable future together

1,118

Innovative SMEs and start-ups involved for possible collaboration projects

286 in 2022 (+290.1%)

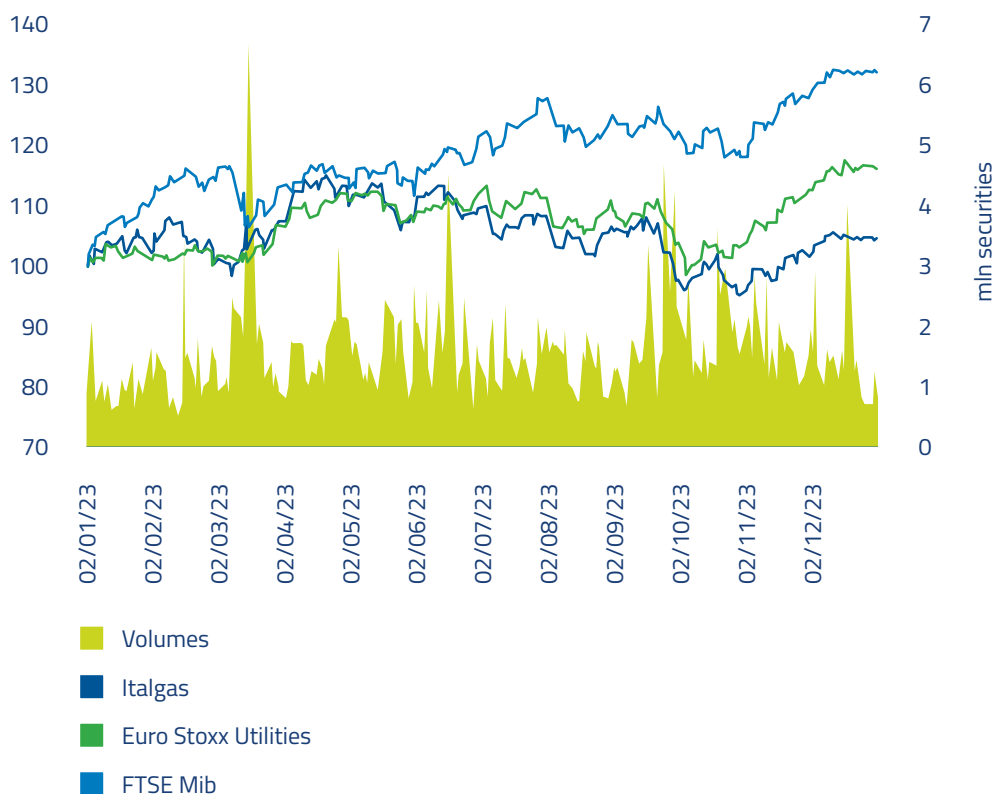
90 %

Strategic suppliers involved and trained on ESG issues

Around 40% in 2022 (+50 pp)

The data contained in the tables above are taken from the Integrated Annual Report as at 31 December 2023, approved by Italgas' Board of Directors on 12 March 2024 ("Integrated Annual Report 2023") available on the Company website: <https://www.italgas.it/en/sustainability/reporting-hub/>, to which reference should be made, and from the Press Release of 12 March 2024 "Italgas: consolidated results as at 31 December 2023 approved" available on the Company's website, to which reference should be made: <https://www.italgas.it/en/press-releases-price-sensitive/italgas-consolidated-results-as-at-31-december-2023-approved/>.

TREND IN THE SHARE PRICE 2023: COMPARISON OF PRICES OF ITALGAS, FTSE MIB AND EURO STOXX UTILITIES



C) STRUCTURE OF THE SHARE CAPITAL AND SHARE OWNERSHIP

CAPITAL STRUCTURE

	NO. OF SHARES	% OF SHARE CAPITAL	LISTING MARKET	RIGHTS AND OBLIGATIONS
ORDINARY SHARES	810,745,220 (no par value) ⁽¹⁾	100%	Euronext Milan	Owners of shares can exercise their ownership and dividend rights pursuant to the By-Laws and applicable regulations. Each share is indivisible and gives the right to one vote.

⁽¹⁾ The figure does not take into account the execution of the first tranche of the capital increase serving the 2021-2023 Co-Investment Plan approved by the Board of Directors on 12 March 2024.

ITALGAS SHARE OWNERSHIP

Ownership structure by type of investor



- 1.4% Banca d'Italia
- 4.2% Romano Minozzi
- 8.2% Retail Investors
- 13.5% Snam
- 26.0% CDP Reti
- 46.7% Institutional Investors

Shareholders by geographical area

**43.7% ITALY**

2.8% Italy Institutional Investors

40.9% Italy Strategic Investors*

* The percentage Italy-Strategic Investors includes CDP Reti S.p.A., Snam S.p.A. and Banca d'Italia.

56.7% WORLD

5.1% Rest of the World

9.3% UK and Ireland

10.1% Continental Europe

12.4% Retail**

19.3% USA and Canada

** Retail percentage includes the stake of Romano Minozzi of 4.2%.

For information on owners of significant equity investments in the share capital of Italgas higher than the threshold established by art. 120 of the CLF (i.e., 3%) at 31 December 2023 and the date of this Report, please refer to § 2.3 of this Report.



Par. 2.3

COMPLEMENTARY INFORMATION

	YES	NO
Restrictions on voting rights		x
Shares which confer special rights		x
Limits to ownership of shares		x
Restrictions on share transfers		x
Employee share ownership with voting rights exercised by others		x
Shareholders' agreements	x*	
Equity threshold for the submission of slates	1%	

* As far as Italgas is aware, there are two shareholders' agreements pursuant to Article 122 of the CLF: (a) the Italgas Shareholders' Agreement and (b) the SGEL Shareholders' Agreement (described in detail in chapter 2, § 2.6 of this Report).

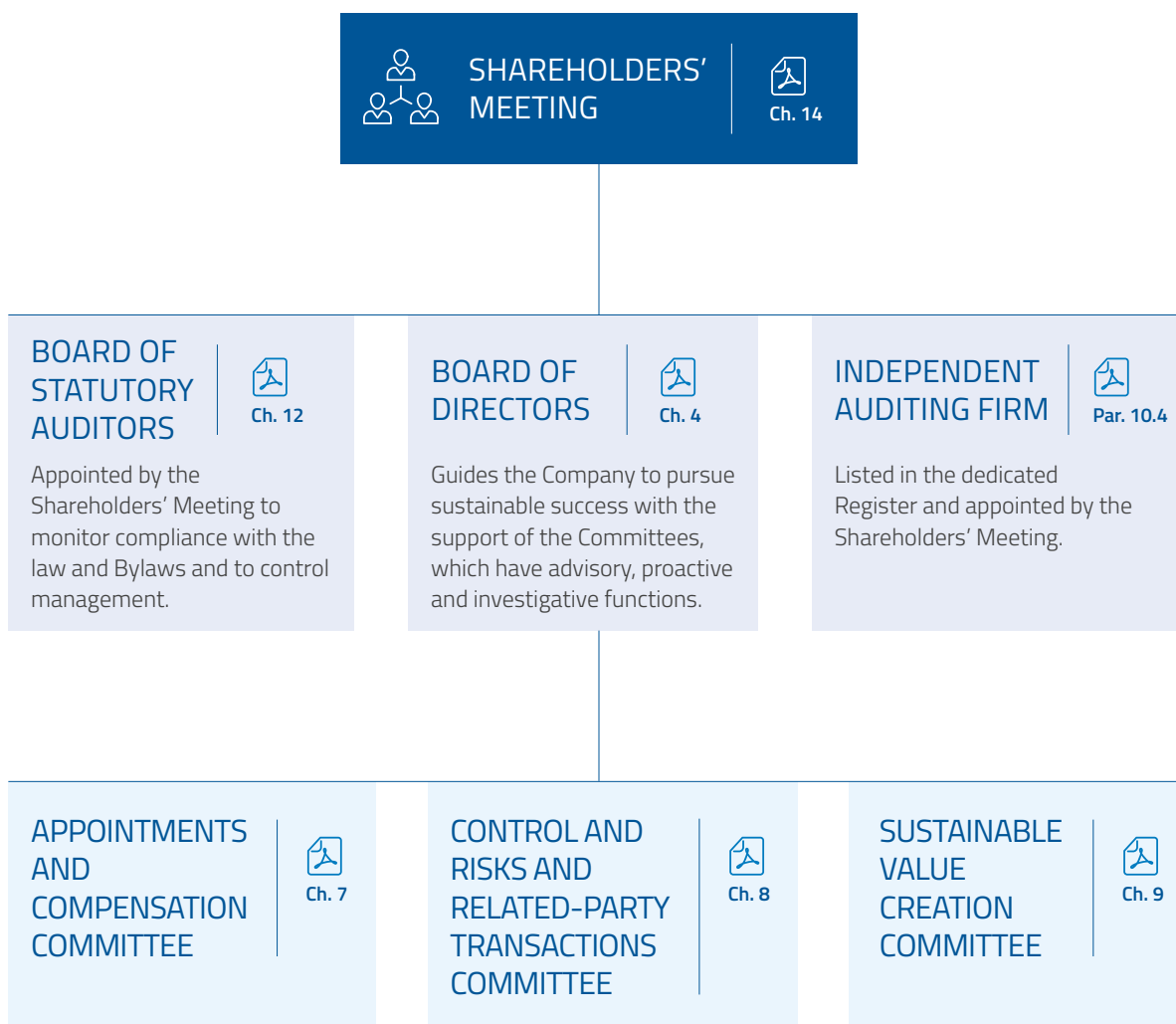
Please refer to chapter 2 of this Report for further details of the ownership structures.



Ch. 2

D) CORPORATE GOVERNANCE MODEL

"TRADITIONAL" SYSTEM OF ADMINISTRATION AND CONTROL



SHAREHOLDERS' MEETING

Approves the Financial Statements for the year, appoints the Board of Directors, the Board of Statutory Auditors and the Independent Auditing Firm, and passes resolutions on amendments to the Bylaws and extraordinary transactions such as mergers, demergers and capital increases.

During the Financial Year, the Shareholders' Meeting was held on 20 April 2023 in ordinary session and lasted 119 minutes. All proposals were approved. The items on the agenda with the relative percentages of votes in favour in relation to the share capital represented at the Shareholders' Meeting (82.52%) are indicated below.

ORDINARY SHAREHOLDERS' MEETING OF 20 APRIL 2023

AGENDA	% VOTES IN FAVOUR OF SHARES REPRESENTED
1. Financial statements of Italgas S.p.A. as at 31 December 2022, Integrated Annual Report as at 31 December 2022, Reports by the Directors, the Board of Statutory Auditors and the Independent Auditing Firm. Related and consequent resolutions.	99.84%
2. Allocation of the profits for the year and distribution of the dividend.	99.99%
3. Report on remuneration policy and compensation paid:	
3.1 approval of the remuneration policy pursuant to Article 123-ter, subsection 3-bis, Legislative Decree no. 58/1998.	92.85%
3.2 resolutions on the "second section" of the report, pursuant to Article 123-ter, subsection 6, Legislative Decree no. 58/1998.	94.56%
4. 2023-2025 Long Term Incentive Plan. Related and consequent resolutions.	98.77%

Please refer to chapter 14 of this Report for further details on Shareholders' Meetings.



Ch. 14

BOARD OF DIRECTORS AND COMMITTEES









Composition

In office as at 31 December 2023 and at the date of this Report

Committees

- Sustainable Value Creation Committee (SVCC)
- Control and Risks and Related-Party Transactions Committee (CRRPTC)
- Appointments and Compensation Committee (ACC)

Skills

-  Financial
-  Service
-  ESG/Climate Change
-  Cyber security
-  Audit
-  ERM/Risks
-  HR/People/HS&Q
-  Legal and Governance

Slates

- 1** Slate submitted jointly by the Shareholders CDP Reti S.p.A. and Snam S.p.A.
- 2** Slate submitted by the Shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti).

Please refer to sections § 4.3, § 7.4, § 8.1 and § 9.1 of this Report for further information on the composition of the Board of Directors and the Board Committees (Appointments and Compensation Committee, Control and Risk and Related-Party Transactions Committee and Sustainable Value Creation Committee) respectively.



Par. 4.3
Par. 7.4
Par. 8.1
Par. 9.1

BENEDETTA NAVARRA



CHAIRPERSON

56 years old
In office from 26 April 2022
Non-executive independent

Committees

Skills

Slate



1

FABIOLA MASCARDI



DIRECTOR

61 years old
In office from 26 April 2022
Non-executive independent

Committees

Skills

Slate

● Chairperson*



2

* Up to 21 February 2023 the Chairperson of the ACC was Mr Lorenzo Parola.

MANUELA SABBATINI



DIRECTOR

51 years old
In office from 26 April 2022
Non-executive

Committees

Skills

Slate

● ●



1

PAOLO GALLO



CHIEF EXECUTIVE OFFICER

62 years old

In office from 26 April 2022

Executive

Committees

—

Skills



Slate

1

CLAUDIO DE MARCO



DIRECTOR

66 years old

In office from 26 April 2022

Non-executive independent

Committees



Skills



Slate

1

◊ Lead Independent Director.

GIANMARCO MONTANARI



DIRECTOR

51 years old

In office from 26 April 2022

Non-executive independent

Committees

● Chairperson

Skills



Slate

2

LORENZO PAROLA



DIRECTOR

54 years old

In office from 26 April 2022

Non-executive independent

Committees

● Chairperson**

Skills



Slate

1

** Up to 21 February 2023 the Chairperson of the SVCC was Ms Fabiola Mascardi.

MARIA SFERRUZZA



DIRECTOR

53 years old

In office from 26 April 2022

Non-executive

Committees



Skills



Slate

1

QINJING SHEN



DIRECTOR

45 years old

In office from 26 April 2022

Non-executive

Committees



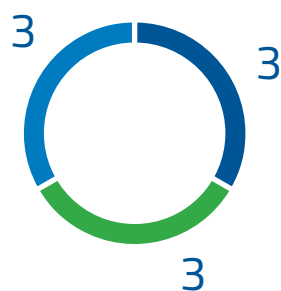
Skills



Slate

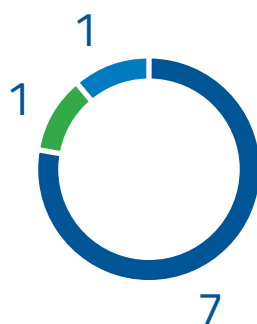
1

Age diversity



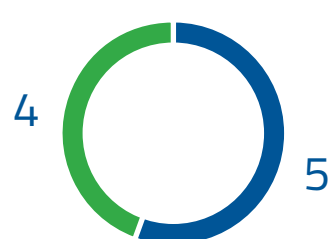
- 45-51
- 52-59
- 60-66

Seniority diversity



- 1-2 financial years
- 3-4 financial years
- 4-6 financial years

Gender diversity

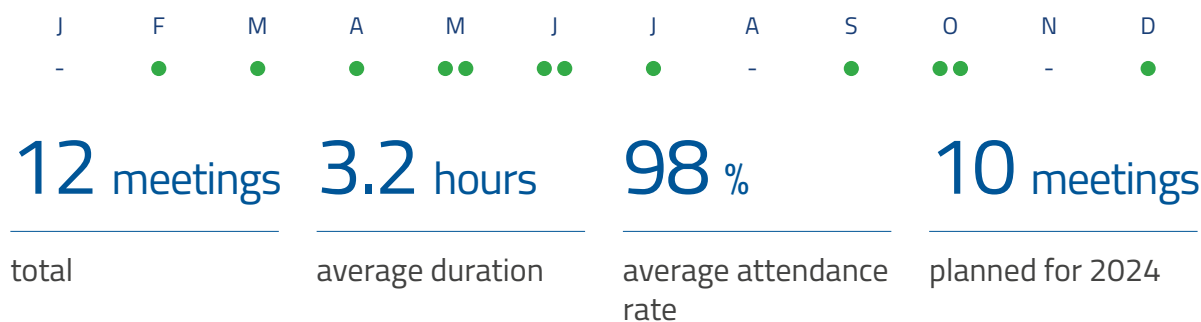


- Male
- Female

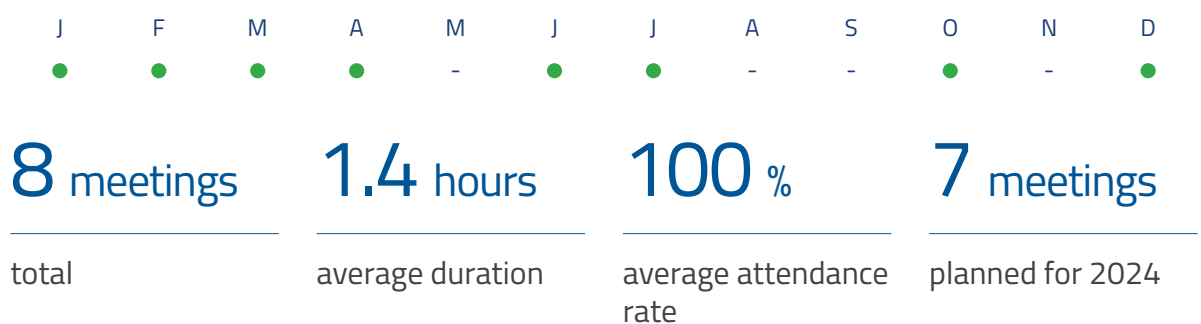
Operation

BOARD OF DIRECTORS - MEETINGS 2023

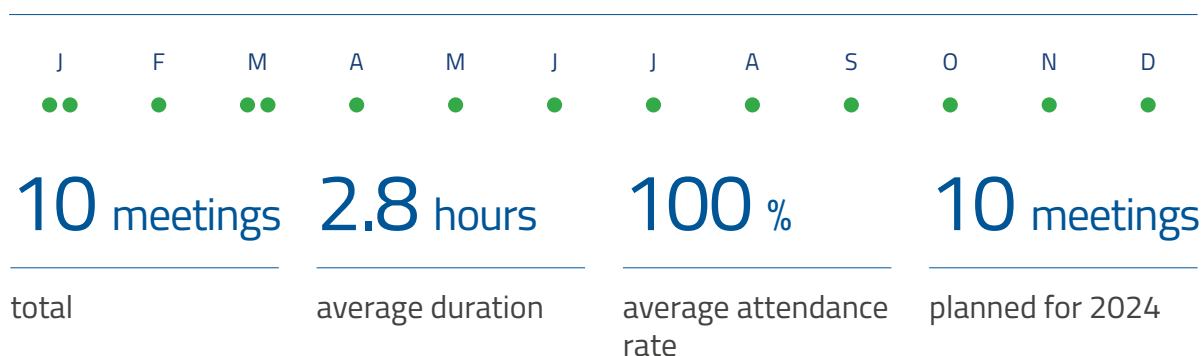
● number of meetings per month



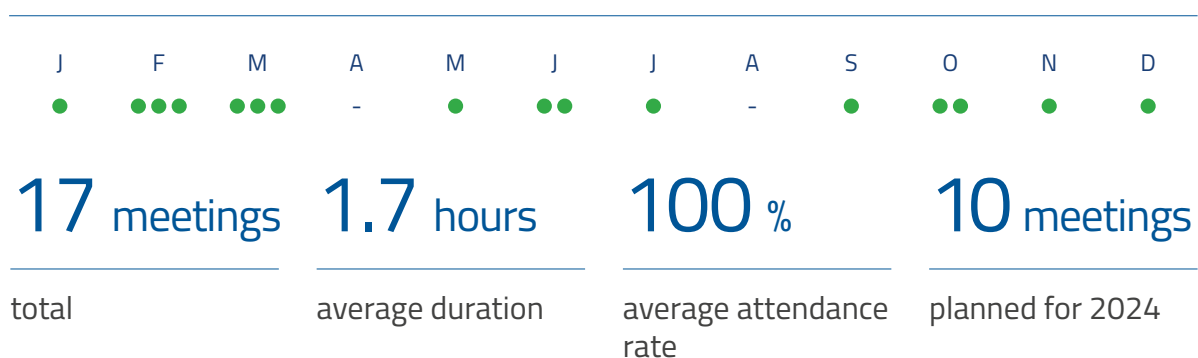
SUSTAINABLE VALUE CREATION COMMITTEE (SVCC) - MEETINGS 2023



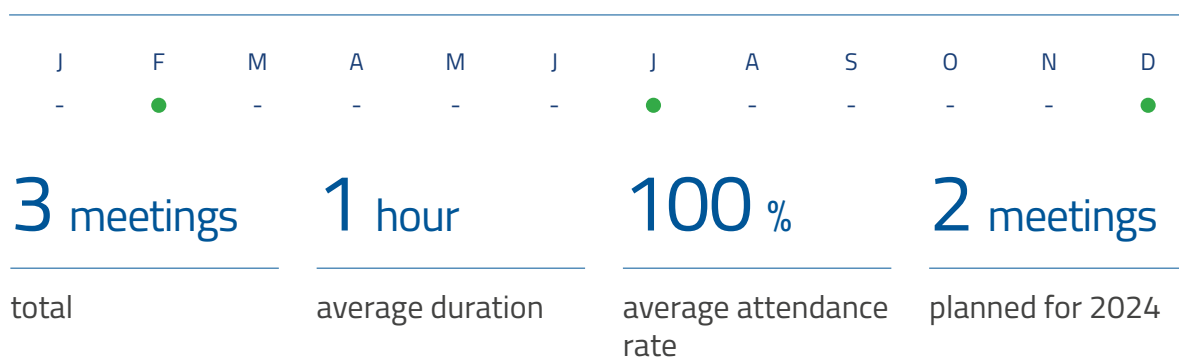
CONTROL AND RISK AND RELATED-PARTY TRANSACTIONS COMMITTEE (CRRPTC) - MEETINGS 2023



APPOINTMENTS AND COMPENSATION COMMITTEE (ACC) - MEETINGS 2023



INDEPENDENT DIRECTORS - MEETINGS 2023



OTHER RELEVANT POSITIONS HELD BY DIRECTORS

DIRECTOR	OTHER RELEVANT COMPANIES		
	EXECUTIVE DIRECTOR	NON-EXECUTIVE DIRECTOR	STATUTORY AUDITOR
BENEDETTA NAVARRA	-	1	3
QINJING SHEN	-	3	-
FABIOLA MASCARDI	-	2	-
GIANMARCO MONTANARI	-	2	-
MANUELA SABBATINI	-	1	-

BOARD EVALUATION PROCESS

CONDUCTED			METHOD 2023	TYPE OF EVALUATION 2023	CONSULTANTS INVOLVED 2023	EVALUATING PARTY 2023
2021	2022	2023				
Yes	Yes	Yes	Individual interviews and in-depth discussions with all members of the Board of Directors and with the Chairwoman of the Board of Statutory Auditors as an observer.	Independent	Egon Zehnder S.p.A.	The Board of Statutory Auditors

For further details: (i) on the operation of the Board of Directors and Committees, please refer to § 4.4 and chapter 6 of this Report; (ii) on the board evaluation process, please refer to § 7.1 of this Report.



Ch. 4.4
Ch. 6
Ch. 7.1

BOARD OF STATUTORY AUDITORS

Composition

In office as at 31 December 2023
and at the date of this Report

Slates

- 1 Slate presented by the Shareholder CDP Reti S.p.A.
- 2 Slate submitted by the Shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti).

GIULIA PUSTERLA



CHAIRPERSON

63 years old

In office from 26 April
2022

Independent

Other offices held	19
--------------------	----

Positions in Group companies	0
------------------------------	---

Slate	2
-------	---

MAURIZIO DI MARCOTULLIO



STANDING

56 years old

In office from 26 April
2022

Independent

Other offices held	6
--------------------	---

Positions in Group companies	0
------------------------------	---

Slate	1
-------	---

PAOLA MARIA MAIORANA



STANDING

58 years old

In office from 26 April
2022

Independent

Other offices held	1
--------------------	---

Positions in Group companies	0
------------------------------	---

Slate	1
-------	---

STEFANO FIORINI

ALTERNATE

54 years old

In office from 26 April 2022

Independent

Other offices held	25
--------------------	----

Positions in Group companies	0
------------------------------	---

Slate	1
-------	---

BARBARA CAVALIERI

ALTERNATE

54 years old

In office from 26 April 2022

Independent

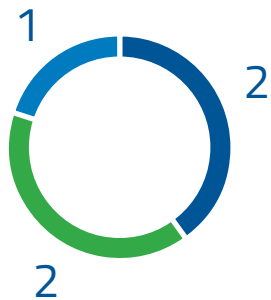
Other offices held	7
--------------------	---

Positions in Group companies	0
------------------------------	---

Slate	*
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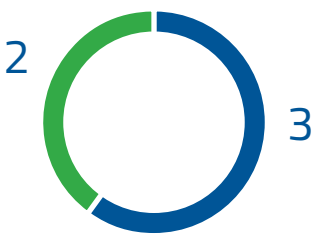
* Having learned that the candidate Simone Montanari, a candidate in the slate submitted by Inarcassa, was unavailable to take on the position of Alternate Auditor of Italgas, Inarcassa proposed – pursuant to Article 126-bis, subsection 1, penultimate sentence of the CLF – to resolve to appoint Barbara Cavalieri to the position of Alternate Auditor of Italgas. The proposal was approved by a majority.

Age diversity



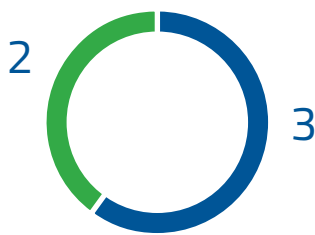
- 51-55
- 56-60
- 61-65

Seniority diversity



- 1-2 financial years
- 3-4 financial years

Gender diversity



- Female
- Male

Operation

BOARD OF STATUTORY AUDITORS - MEETINGS 2023

● number of meetings per month



18 meetings	2.2 hours	96.3 %	16 meetings
total	average duration	average attendance rate	planned for 2024

SELF-ASSESSMENT PROCESS OF THE BOARD OF STATUTORY AUDITORS

CONDUCTION			METHOD 2023	TYPE OF EVALUATION 2023	CONSULTANTS INVOLVED 2023	EVALUATING PARTY 2023
2021	2022	2023				
Yes	No	Yes	Individual interviews and in-depth discussions with all members of the Board of Statutory Auditors.	Independent	Egon Zehnder S.p.A.	The Board of Statutory Auditors

Please refer to chapter 12 of this Report for further details on the role, appointment, replacement, composition and operation of the Board of Statutory Auditors.



Ch. 12

INDEPENDENT AUDITING FIRM



	DATE OF GRANTING THE APPOINTMENT	DURATION OF THE APPOINTMENT
DELOITTE & TOUCHE S.P.A.	12.05.2020	Financial years 2020 - 2028

Please refer to § 10.4 of this Report for further details on the Independent Auditing Firm.



Ch. 10.4

E) DIVERSITY & INCLUSION

MEASURE ADOPTED	DESCRIPTION	COMPANY WEBSITE
DIVERSITY OF CORPORATE BODIES POLICY	Standard of compliance on the matter of diversity in the composition of the Board of Directors and the Board of Statutory Auditors.	
DIVERSITY, INCLUSION AND GENDER EQUALITY POLICY	Policy issued by the Chief Executive Officer in agreement with the Steering Committee for UNIPDR 125/2022 Certification aimed at promoting implementation of the fundamental principles of the Italgas' Code of Ethics ¹ and the Policy for the prevention of discrimination and the protection of dignity addressed to all Italgas Group employees, overcoming prejudice towards women and in general towards all types of differences between people.	

Please refer to § 4.3 letter f) and § 12.3 letter b) of this Report for further details on the diversity of corporate bodies policy and other measures to promote equal treatment and opportunities between genders.



Ch. 4.3
Ch.12.3

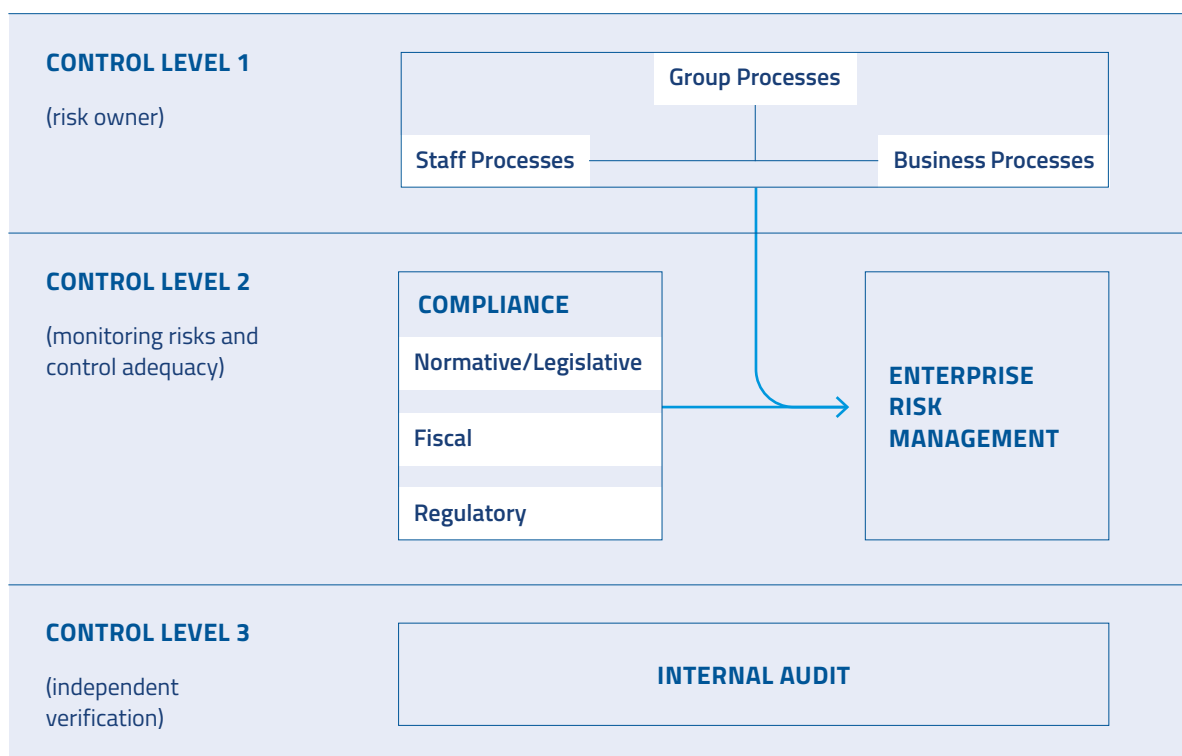
¹ The aim of the policy is to continue along the path towards gender equality in the areas of intervention provided for by law (induction, development, training, career, prevention of harassment, work-life balance/ care loads, equal pay).

F) “INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM”

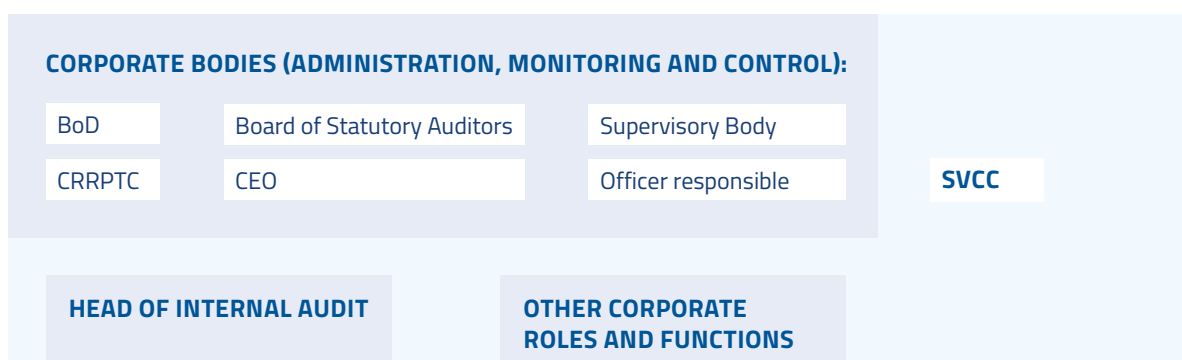
1. GUIDING PRINCIPLES ON WHICH ICRMS IS BASED



2. DESCRIPTION OF THE THREE LEVELS OF THE ICRMS



3. PARTIES TO THE ICRMS



4. MAIN ELEMENTS OF THE ICRMS

MAIN ELEMENTS OF THE RISK CONTROL SYSTEM	YES/NO
Adoption of the Guidelines on the internal control and risk management system	Yes
Setting-up and management of the ICRMS entrusted to the CEO	Yes
Appointment of the Head of Internal Audit by the Board	Yes
Presence of the Enterprise Risk Management and Corporate Reporting Internal Control System (ERM&SCIS) department	Yes
Annual assessment of the compatibility of business risks with business management consistent with identified strategic objectives	Yes
Preparation of specific Compliance Standards (Anti-Bribery, Reporting)	Yes
Adoption of organisational model pursuant to Legislative Decree no. 231/2001	Yes

Please refer to Chapter 10 of this Report for further details on the Internal Control and Risk Management System.



Ch. 10

G) SUSTAINABILITY AT ITALGAS

Sustainability is a principle through which Italgas values its business strategies.

The Group adopts an integrated business model capable of using all its capital inputs to achieve its strategic objectives and create value in the short, medium and long term.

In line with this model, Italgas has also adopted the **2023-2029 Strategic Plan, which incorporates the 'Builders of the Future' Sustainable Value Creation Plan** and is based on three pillars:

BUILDERS OF THE FUTURE

FOR THE FUTURE OF THE PLANET



- Digitalise to bring about the energy transition and decarbonisation
- Contribute to the fight against climate change
- Protect the ecosystems and promote a circular economy



FOR THE FUTURE OF PEOPLE



- Improve the quality of life and ensure the safety of employees, citizens and the national energy system
- Develop and disseminate the skills of the future
- Valorise diversity and support equal opportunities and inclusion



FOR A SUSTAINABLE FUTURE TOGETHER

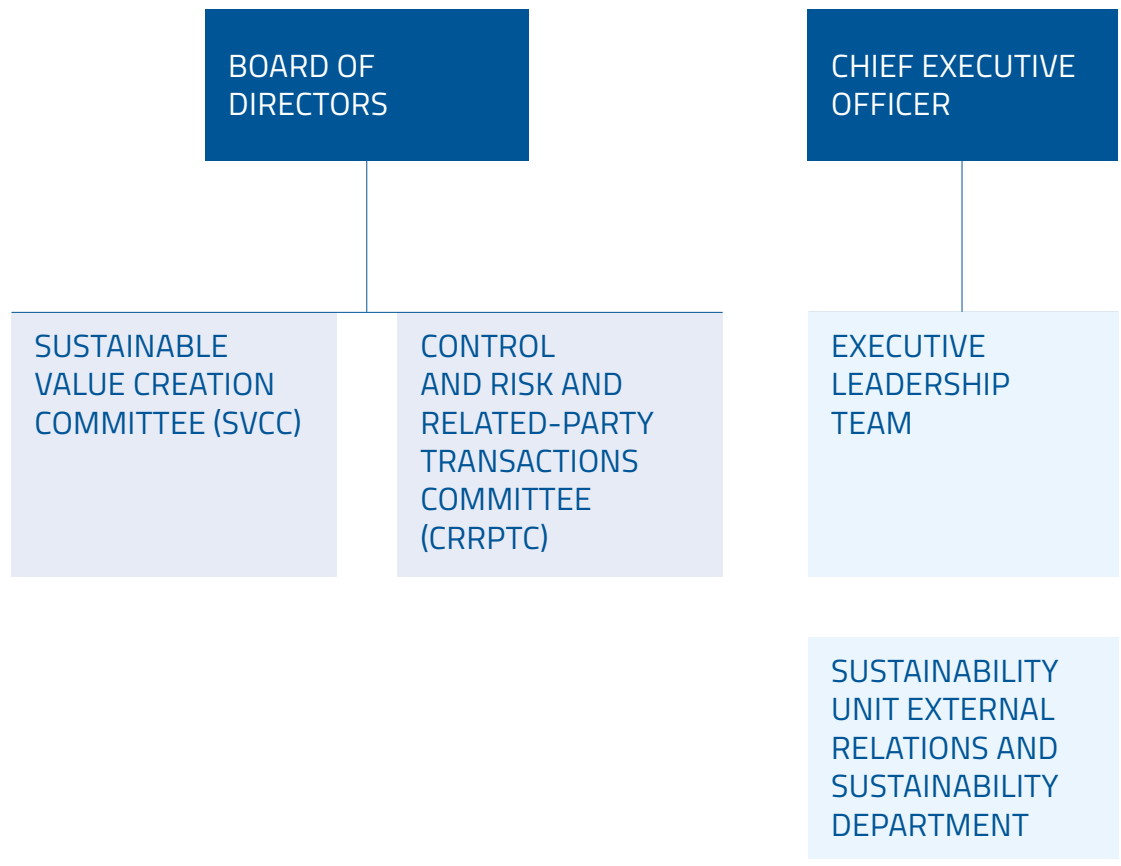


- Promote innovation and dialogue through partnerships
- Promote the principles of Sustainability in the supply chain
- Take care of the territory



Annually, the Board is called upon to approve Italgas' seven-year Strategic Plan as well as updates to the Sustainable Value Creation Plan, ensuring the creation of value in the short- and medium-to-long-term for shareholders and stakeholders.

SUSTAINABILITY GOVERNANCE

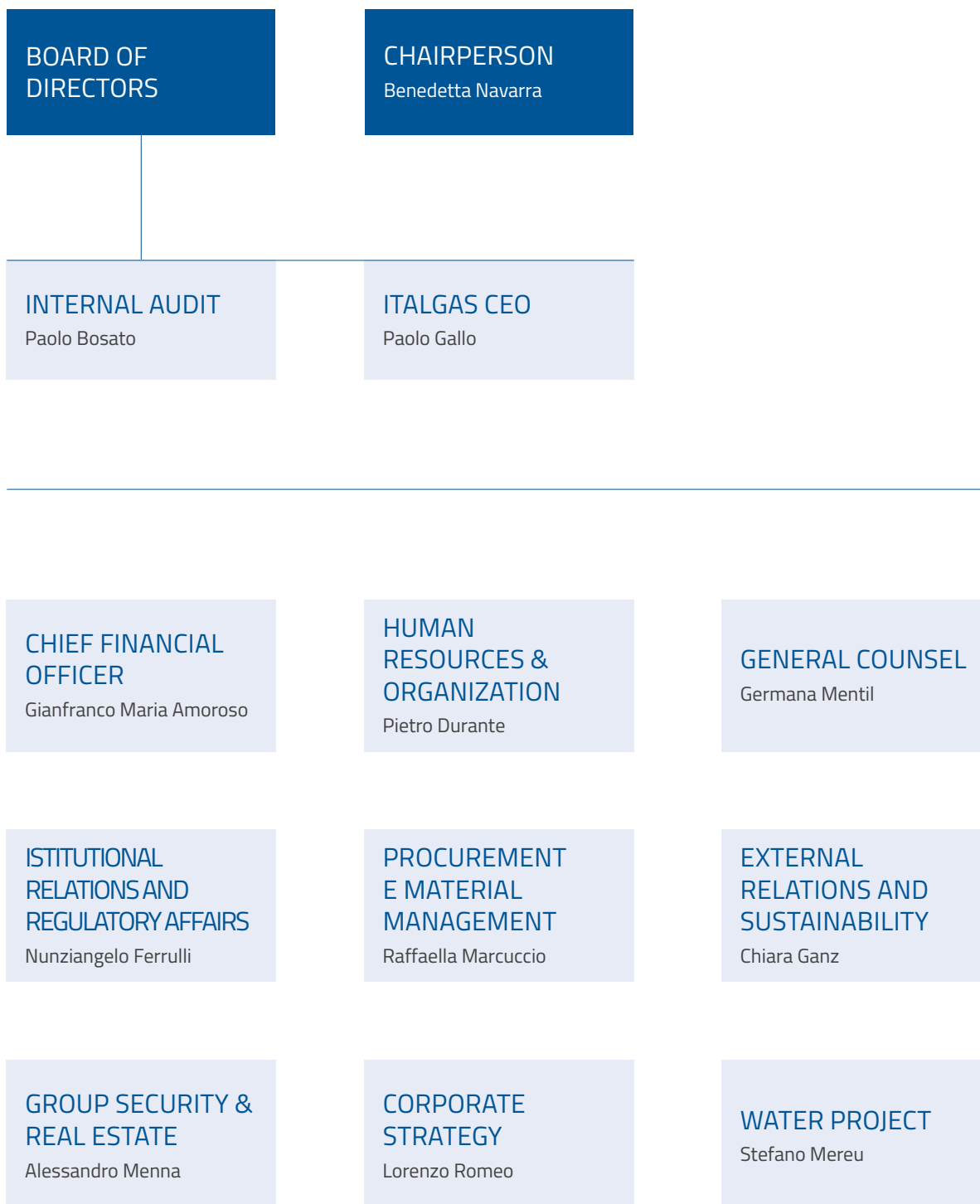


Please refer to § 1.6 of this Report for further details on sustainability in Italgas. Also refer to the contents of the Integrated Annual Report 2023


Ch. 1.6

H) ITALGAS' ORGANISATIONAL STRUCTURE

The organisational structure of Italgas is divided into Departments, Divisions, Sectors, Offices, Teams, Operating Lines and Managerial Support Units, based on the following structure:



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ISSUER PROFILE AND CORPORATE GOVERNANCE STRUCTURE

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1.1 INTRODUCTION

On 7 November 2016 Italgas, after 13 years of absence, returned to the Italian share market through listing on the Borsa Italiana FTSE MIB index.

The new listing took place at the end of a complex demerger from the previous parent company Snam, which led to the transfer of the equity investments in the operating companies focused on the gas distribution business from Snam to a new and autonomous entity, incorporated on 1 June 2016 under the name ITG Holding S.p.A. and later named Italgas S.p.A., with registered office in Milan, Via Carlo Bo, 11, VAT number and registration number with the Milan Business Register 09540420966, belonging to the "Italgas VAT Group" number 10538260968.²

At the end of the reporting period, the Italgas Group includes in addition to the parent company Italgas, the following subsidiaries: 1) Italgas Reti S.p.A. (formerly named Italgas) ("**Italgas Reti**"), which holds 51.85% of Medea S.p.A. ("**Medea**")³; 2) Nepta S.p.A.⁴ ("**Nepta**"), which holds 100% of the share capital of Acqua S.r.l. ("**Acqua**"), which in turn holds 100% of the share capital of Idrolatina S.r.l. ("**Idrolatina**") and 98,5% of the share capital of Idrosicilia S.p.A. ("**Idrosicilia**"); 3) Geoside S.p.A. (67.22% - "**Geoside**"); 4) Toscana Energia S.p.A. ("**Toscana Energia**"), which in turn holds 100% of the share capital of Immogas S.r.l. and 32.78% of Geoside; 5) Bludigit S.p.A. ("**Bludigit**") and 6) Italgas Newco S.p.A. ("**Italgas Newco**"), which holds 100% of the share capital of the Greek company Enaon Sustainable Networks Single Member S.A. ("**Enaon**"), formerly DEPA Infrastructure Single Member S.A., which in turn holds the entire share capital of the Greek company Enaon EDA Hellenic Gas Distribution Company Single Member S.A. ("**Enaon EDA**"), formerly Public Natural Gas Distribution Networks Single Member S.A.⁵

Among the companies not included in the scope of consolidation, it should be noted that: (i) Italgas holds 50% of the share capital of Metano Sant'Angelo Lodigiano S.p.A., 45% of the share capital of Umbria Distribuzione Gas S.p.A., 1% of the share capital of Gaxa S.p.A.⁶ and 6% of Picarro Inc.; (ii) Toscana Energia owns 42.96% of Gesam Reti S.p.A.; (iii) Italgas Reti owns 15% of Reti Distribuzione S. r.l.; (iv) Geoside owns 20.01% of the share capital of Enerpaper S.r.l.; (v) Idrolatina owns 49% of Acqualatina S.p.A. and (vi) Idrosicilia owns 75% of Siciliacque S.p.A.

² In this regard, see the Information Document prepared pursuant to Article 57, subsection 1, letter d) of the Issuers' Regulations relating to the listing of Italgas ordinary shares resulting from the partial and proportional demerger of Snam in favour of Italgas, available on the Company website: https://www.italgas.it/wp-content/uploads/sites/2/2021/07/Information_Document_pursuant_art_57.pdf

³ On 30 June 2023, Janagas S.r.l., a company wholly owned by Medea, was merged by incorporation into the latter with legal effect from 10 July 2023.

⁴ On 16 October 2023, with effect from 24 October 2023, the Shareholders' Meeting of Italgas Acqua S.p.A. resolved, inter alia, to change the company name to Nepta S.p.A. Also on 16 October 2023, Nepta, in its capacity as the designated third party of Italgas pursuant to Article 1401 et seq. of the Italian Civil Code, finalised the purchase of the business unit pertaining to the management of the water service in Italy previously owned by the Veolia Group, which includes, inter alia, the equity investments in Acqua, Idrosicilia, Idrolatina, Acqua Campania S.p.A. ("**Acqua Campania**"), and Acqualatina S.p.A. ("**Acqualatina**") and Siciliacque S.p.A. ("**Siciliacque**").

⁵ On 1 October 2023, the merger by incorporation of EDA Thess and EDA Attikis into Enaon EDA was finalised, responsible for the development and management of the gas distribution service in all areas of Greece where the Enaon Group (formerly Depa Infrastructure) operates. On 14 February 2024, DEPA Infrastructure Single Member S.A. ("**DEPA Infrastructure**") and Public Natural Gas Distribution Networks Single Member S.A. ("**DEDA**") changed their names to Enaon Sustainable Networks Single Member S.A. and Enaon EDA Hellenic Gas Distribution Company Single Member S.A., respectively.

⁶ On 29 June 2023, the Shareholders' Meeting of Gaxa S.p.A. resolved a capital increase pursuant to Article 2447 of the Italian Civil Code; as a result, the equity investment held by Italgas amounted to 18.18%. On 6 September 2023, the Shareholders' Meeting of Gaxa Italgas resolved on a further capital increase pursuant to Article 2447 of the Italian Civil Code, as a result of which Italgas held an equity investment equal to 5% of the share capital. On 11 January 2024, the Shareholders' Meeting of Gaxa S.p.A. resolved a capital increase pursuant to Article 2447 of the Italian Civil Code, as a result of which Italgas holds an equity investment equal to 1% of the share capital.

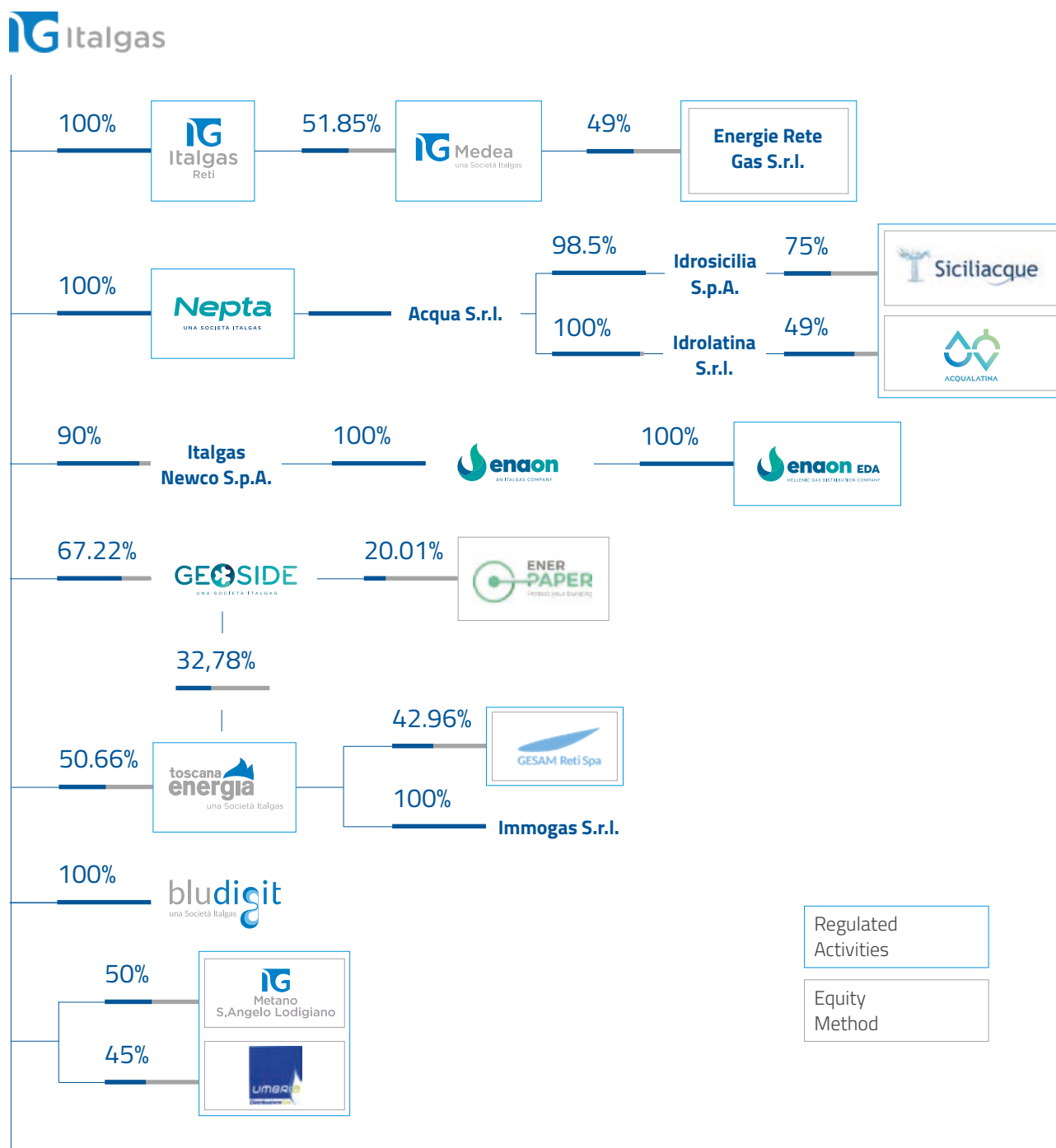
ACQUISITION OF THE WATER BUSINESS UNIT

On 16 October 2023, Italgas, through its subsidiary Nepta, completed its acquisition of the business unit regarding operation of the water service in Italy, previously owned by the Veolia Group ("Water Business Unit"), which includes, inter alia, the equity investments held in Acqua, Idrosicilia, Idrolatina, Acqua Campania, Acqualatina and Siciliacque, which in turn own the individual concessions held in the water industry.

With these transactions, the Group's presence in the water sector was consolidated.

For further information, please refer to the Integrated Annual Report 2023.

A description of the Italgas Group and Italgas S.p.A. associate companies, at the end of the reporting period, is given below:



1.2 VALUES AND MISSION

The Italgas Group has defined a system of values based on know-how, innovation, reliability, approachability, efficiency, ensuring of service quality, defence of the environment and safety at work.

These values form the foundation of the ethical culture of all the Group companies and which guide the conduct of corporate activities according to principles of sustainability and corporate responsibility, which are considered an integral part of their business management model. Ethics is a guiding element in defining the Company's strategic and operational decisions as well as a form of leverage to guarantee a corporate social responsibility approach that combines business objectives with respect for environmental, social and proper governance issues and which recognizes the central importance of stakeholders and their needs in order to create social as well as economic value, even with a push towards innovation.

Italgas is a Network Tech Company, leader in the gas, water, energy efficiency and IT sectors. The leading operator in Italy and Greece in the distribution of natural gas, and the third in Europe, it manages a network that extends over 81,000 kilometres serving approximately 8 million customers. With its subsidiaries in the water sector, the Group serves - directly and indirectly - 6.2 million people (equal to 10% of the Italian population) concentrated in the regions of Lazio, Sicily and Campania.

In Italy the Group holds 2,050 gas distribution concessions and a market share of over 35%. In 2022, completion of the acquisition of the Enaon Group (formerly DEPA Infrastructure) enabled Italgas to acquire the distribution licence in 140 municipalities in Greece, of which 105 are already in operation.

On the strength of these foundations, the Italgas Group is currently tackling a significant phase in its long history. In its 2023 - 2029 Strategic Plan, the Company has set out a significant investment plan aimed at digital transformation and technological innovation, the repurposing and extension of the network, new growth opportunities, insourcing of core competencies, with specific focus also on financial solidity and efficiency and, last but not least, sustainability issues such as decarbonisation and reduction in the use of energy resources, diversity and inclusion, and training. In particular, Italgas has for some time now been implementing a series of initiatives as part of an extensive technological innovation plan, aware that digital transformation, extended to all areas of gas distribution, is the enabling element for a service characterised by the highest standards of quality and safety.

To promote the digitisation of processes, in November 2018 the Digital Factory was created, a structure that now houses multifunctional teams who work using Agile methodology and design thinking. Its laboratories are working on 4.0 projects and technologies, crucial for further strengthening the leadership conquered over time, including in the context of the "fourth industrial revolution".

The digital transformation commenced in Italgas is reflected by the many projects and the introduction of new technologies for digitisation of the network (new Smart Meters with Narrow Band technology - Internet of Things), for leak detection (Cavity Ring technology - Picarro Down Spectroscopy), for the improvement of scheduling, dispatching and customer engagement and for the Integrated Supervision Centre.

1.3 HISTORY

1837	Founding
1900	Expansion
1967	Joining Eni
2003	Italgas share delisting from the stock exchange
2009	Italgas acquired by Snam
2016	Separation from Snam and return to the stock exchange
2022	DEPA Group acquisition
2023	Italgas strengthens presence in the water sector

1.4 SEPARATION OF THE GAS DISTRIBUTION ACTIVITY FROM SNAM AND ITALGAS' ADMISSION TO MERCATO TELEMATICO AZIONARIO (ELECTRONIC SHARE MARKET) ORGANISED AND MANAGED BY BORSA ITALIANA

On 7 November 2016, the partial and proportional demerger of Snam, the demerged company, in favour of the wholly-owned subsidiary Italgas (formerly named ITG Holding S.p.A.), the beneficiary company, became effective, by virtue of which part of the 100% equity investment held by Snam in Italgas Reti (formerly named Italgas S.p.A.) was assigned to the Issuer.

At the same time as the demerger took effect, Italgas was listed on the Mercato Telematico Azionario (now called Euronext Milan) organised and managed by Borsa Italiana, Euronext Group (the "**Italgas Demerger Transaction**").

As a result of the Italgas Demerger, the entire equity investment held by Snam in Italgas Reti, equal to 100% of the share capital of Italgas Reti, was transferred to Italgas.

1.5 ITALGAS CORPORATE GOVERNANCE SYSTEM

Italgas' corporate governance system is a collection of rules and planning, management and control processes necessary for the operation of the Company and was initially outlined by the Board of Directors on 4 August 2016 in accordance with the provisions of the Italian Civil Code and the Consolidated Law on Finance and the Unbundling Regulation, in compliance with the application principles and criteria of the then applicable Corporate Governance Code and with reference to national and international best practices.

This system is based on certain key principles, such as proper, transparent business management implemented through the identification of information flows between corporate bodies and an efficient definition of the internal control and risk management system as well as the adoption of an Enterprise Risk Management system allowing the identification, measurement, management and monitoring of major risks starting from an analysis of company processes (for more information, see section 10 of this Report).

Italgas has adopted the so-called traditional administration and control system pursuant to the applicable regulatory provisions and the By-Laws, which involves the following corporate bodies:

SHAREHOLDERS' MEETING

Competent body for discussion tasked with, among other things, in both ordinary and extraordinary sessions:

- appointing and removing members of the Board of Directors and Board of Statutory Auditors and establishing their remuneration, as well resolving on their responsibilities;
- approving the financial statements, including the allocation of the profits for the year;
- resolving on the purchase of treasury shares, amendments to the Bylaws and the issue of convertible bonds.

BOARD OF DIRECTORS

Body in charge of the ordinary and extraordinary management of the Company, with the power to carry out all acts it deems appropriate for the implementation and achievement of the corporate purpose, with the exception of acts which pursuant to applicable regulations and the By-Laws are reserved to the Shareholders' Meeting.

BOARD OF STATUTORY AUDITORS

Control body responsible for monitoring, in particular:

- compliance with the law and Bylaws;
- compliance with the principles of correct administration in the performance of company business;
- the suitability of the organisational structure for the aspects within its remit, the internal control system and the administrative-accounting system, in addition to the ability of the latter to correctly represent business;
- the practical implementation of the rules of corporate governance envisaged by the CG Code, to which the company adheres.

Additionally, pursuant to Legislative Decree no. 39/2010, the Board of Statutory Auditors also performs supervisory functions in its capacity as "committee for internal control and account auditing".

The Board of Directors, on 2 May 2022, has created the following board Committees, in compliance with the CG Code and the Company By-Laws (in such regard see section 6 et seq. of this Report):

- Appointments and Compensation Committee (“ACC”);
- Control, Risk and Related Party Transactions Committee (“CRRPTC”);
- Sustainable Value Creation Committee (“SVCC”).

The Issuer does not fall within the definition of an SME pursuant to Article 1, subsection 1, letter w-quater. 1) of the CLF and Article 2-ter of the Consob Regulation on Issuers.

According to the CG Code, the Company qualifies as a “large company”,⁷ but does not qualify as a “concentrated ownership company”.⁸ Reference should be made to this Report (see in particular § 4.2 and 4.3, as well as chapter 7 of this Report) for the specific recommendations of the CG Code applicable to Italgas by virtue of this classification.

The Company keeps its corporate governance system constantly updated with the legislation and corporate governance currently in force. In such regard, the initiatives taken to implement the recommendations of the CG Code include in particular, the following documents:

DOCUMENT	REFERENCE TO THE REPORT
Regulations for the operation and organisation of the Board of Directors	Section 4, § 4.4
Qualitative and quantitative criteria for evaluating Directors’ independence	Section 4, § 4.7, letter a)
Diversity of Corporate Bodies Policy	Section 4, § 4.3, letter e) and Section 12, § 12.3 letter b)
Guidelines on the limits and prohibition of accumulation of offices as Director or statutory auditor by Italgas’ Directors	Section 4, § 4.3, letter d)
Market Abuse Procedures	Section 5, § 5.1
Regulations of the Board Committees	Section 6
Contingency Plan of the Chief Executive Officer	Section 7, § 7.2
Guidelines on the internal control and risk management system and Guidelines on internal audit activities	Section 10
Italgas Related-Party Transactions Procedure	Section 11
Policy for managing dialogue with all shareholders	Section 13

⁷ That is, “company whose capitalisation was greater than EUR 1 billion on the last trading day of each of the three preceding calendar years (...)”.

⁸ That is, “company in which one or more shareholders participating in a shareholders’ agreement hold, directly or indirectly (through subsidiaries, trustees or intermediaries), the majority of the votes that can be exercised at an ordinary shareholders meeting (...)”.

1.6 SUSTAINABILITY AT ITALGAS

Sustainability is a principle through which Italgas values its business strategies.

The purpose of Italgas – *Pionieri per passione e costruttori per vocazione, offriamo tutta la nostra energia per accelerare la transizione ecologica [Pioneers by passion and builders by vocation, we offer all our energy to accelerate the ecological transition]* clearly renders the centrality of the task assumed by the Group in the fundamental role of digital, smart and flexible gas distribution networks in the energy transition process towards a decarbonized and circular economy, promoting the development of renewable gases such as biomethane and hydrogen. Italgas aims to improve service quality, make cities increasingly sustainable and generate long-term value for customers, the market, the territory and all its stakeholders, while respecting the environment. Italgas's vision – *Essere protagonista nel mondo delle energie, guidandone l'evoluzione sostenibile e innovando ogni giorno per migliorare la qualità della vita delle persone [To be a leading player in the energy world, driving its sustainable evolution and innovating every day to improve people's quality of life]* – is to become an example of a sustainable approach to business in the energy sector.

Italgas' corporate governance system assigns a key role to corporate bodies in matters of sustainability. The table below shows the main roles and responsibilities in the sustainability area.

PLAYER	ROLE AND TASKS
BOARD OF DIRECTORS	<ul style="list-style-type: none"> It guides the Company in pursuit of the objective of long-term value creation to benefit shareholders, taking into account the interests of the other relevant stakeholders for the Company ("sustainable success"). It is responsible for the ordinary and extraordinary management of the Company and, at the proposal of the Chief Executive Officer, defines the strategic guidelines and objectives for the Italgas Group, including the strategy relating to sustainability objectives and climate change impact, as well as sustainability policies, monitoring their implementation. Annually, it is called upon to approve Italgas' seven-year Strategic Plan as well as updates to the Sustainable Value Creation Plan, ensuring the creation of value in the short- and medium-to-long-term for Shareholders and stakeholders.⁹ It examines and approves the Company's integrated annual report, half-yearly report and interim and consolidated reports on operations, which include non-financial information pursuant to Italian Legislative Decree No. 254/2016. It defines and updates, at the proposal of the Chief Executive Officer, subject to the opinion of the CRRPTC, the guidelines on the internal control and risk management system, consistently with the strategies of the Company and the Group, with a view to the pursuit of sustainable success. It defines the nature and level of risk compatible with the strategic objectives of the Company and the Group, with a view to the pursuit of sustainable success (see Annex 4 to this Report) and assesses, subject to the opinion of the CRRPTC, the adequacy of the internal control and risk management system, as well as its effectiveness in relation to the strategic objectives of the Company and the Group, with a view to the pursuit of sustainable success.

⁹ The approval process for the aforementioned plans includes meetings for the presentation and approval of expected scenarios, including climate scenarios, ESG objectives, comprising environmental and climate change objectives, as well as approval of the financial data of the plan, including investments. Within Board meetings, the specific section of the Strategic Plan dedicated to climate change impacts, risks and opportunities and the Sustainable Value Creation Plan are also analysed, discussed and approved. Starting from the identification of the capital that the Group uses to create value, this plan also identifies the impacts generated for the stakeholders and the territories in which the Group operates.

PLAYER	ROLE AND TASKS
CHIEF EXECUTIVE OFFICER	<ul style="list-style-type: none"> Responsible for the administration of the Company and the elaboration of key strategic objectives and sustainability initiatives, which are then submitted to the Board for approval. Submits the Strategic Plan and the Sustainable Value Creation Plan to the Board of Directors on an annual basis for approval, after review by the SVCC for the parts concerning non-financial objectives and indicators.¹⁰ Chairs the Sustainability Business Review, an internal managerial committee, in which a detailed assessment of the most important environmental sustainability KPIs is carried out and the progress of related initiatives is discussed. This monthly meeting is attended by the top management of each Group company and the process owners and managers of the activities with the main sustainability impacts. Chairs the Innovation Committee, an internal managerial committee which examines and evaluates efficiency initiatives in Group operations, including those with a focus on reducing emissions and/or increasing energy efficiency.
SUSTAINABLE VALUE CREATION COMMITTEE (SVCC)	<ul style="list-style-type: none"> It provides proposals and advice to the Board regarding the processes and activities which contribute to the company's sustainable development along the value chain, aimed at pursuing sustainable success and for periodic non-financial reports, coordinating with the CRRPTC for evaluation by this committee of the suitability of the periodic, financial and non-financial reporting.
CONTROL, RISK AND RELATED PARTY TRANSACTIONS COMMITTEE (CRRPTC)	<ul style="list-style-type: none"> It assesses the suitability (at least verifying that the preparation process is correct) of the periodic financial and non-financial information, so that it correctly represents the company's business model, strategies, impact of its activities, and performance achieved, while coordinating with the SVCC.
EXECUTIVE LEADERSHIP TEAM	<ul style="list-style-type: none"> Internal managerial committee, also composed of the Chief Executive Officers of some Subsidiaries, which supports the Chief Executive Officer in his/her tasks. The Top Managers who are members of it¹¹ are responsible for sustainability initiatives falling within their areas of responsibility.
SUSTAINABILITY UNIT - EXTERNAL RELATIONS AND SUSTAINABILITY DEPARTMENT	<ul style="list-style-type: none"> It oversees the definition of the sustainability model and, through the coordination of the contribution of each corporate department involved in the various issues, it ensures the development of operational plans and tools to ensure its implementation and development, and also involves the Group's stakeholders. It prepares non-financial disclosures as far as within its remit and draws up internal reports to monitor the progress of the Group's initiatives.

¹⁰ These plans include the definition of strategies, actions and related sustainability objectives, including climate-related goals, and define Italgas' vision for the energy transition, with a specific focus on the digitisation of infrastructures, the development of biomethane and new renewable gases in distribution networks, such as hydrogen.

¹¹ In particular, the Chief Financial Officer, the General Counsel, the Head of Human Resources & Organisation, the Director of Procurement & Material Management, the Managing Director of Italgas Reti, the Director of Institutional Relations and Regulatory Affairs, the Director of External Relations and Sustainability, the Head of Bludigit, the Head of Group Security, the Head of Corporate Strategy, the Head of the Water Project, the Managing Director of Enaon, the Managing Director of Geoside, the Managing Director of Toscana Energia.

To implement a real economic, financial, environmental and social sustainability and be able to create sustainable shared value in response to the expectations of all stakeholders - from investors and shareholders to the territorial context and employees - the Group has adopted an integrated business model that can use all its input capital to achieve strategic objectives and create value in the short, medium and long-term.

In line with this model, Italgas also adopted the 2023-2029 Sustainable Value Creation Plan, "Builders of the Future", which is based on three pillars:

- Italgas for the future of the Planet;
- Italgas for the future of People;
- Italgas for a sustainable future together.

Each of these pillars corresponds to precise lines of action with clear commitments and measurable targets for the creation of sustainable value for the Group's stakeholders and for the territories where it is present and operates.

In the representation of the model underlying the 2023-2029 Sustainable Value Creation Plan, the capital that the Group uses to create value has been identified, corresponding to the Group's distinctive resources and factors such as the distribution network, know-how, people, and stakeholder relations, which are used, transformed or increased in the various processes, generating impact for the stakeholders and the territories where the Group operates.

The 2023-2029 Sustainable Value Creation Plan was approved by the Board of Directors on 15 June 2023 on the occasion of the approval of the 2023-2029 Strategic Plan, and is available on the Company website <https://www.italgas.it/en/sustainability/>. It is therefore important to emphasise that the sustainability targets of the 2023-2029 Sustainable Value Creation Plan were approved jointly with the 2023-2029 Strategic Plan, in which they are included, with a view to fully integrating business and sustainability.

For the preparation of the next Strategic Plan, the Group will continue to ensure the integration between the strategic pillars and those of sustainable value creation, according to the consolidated framework that guides the entire process, from the elaboration of strategies, to the definition of objectives and their achievement.

With its 2023 Remuneration Policy, Italgas has maintained a consistent approach and definition of the incentive systems, with the aim of ensuring an even better reflection of the short- and long-term corporate objectives set out in the Strategic Plan 2023-2029 and in the Sustainable Value Creation Plan 2023-2029.¹² The continued link between remuneration and sustainability targets, through the confirmation of a significant weighting of the same with regard to both short-term variable remuneration and the long-term variable component (see the Remuneration Policy contained in Section I of the Report on Remuneration 2023, available on the Company website ¹³).

Italgas has also embraced the challenges of the Sustainable Development Goals (SDGs) promoted by the United Nations in the 2030 Global Agenda and the objectives agreed at European Union level, also with reference to combating climate change and, through the 2023-2029 Sustainable Value Creation Plan, is committed to promoting ethics and sustainability in doing business, preserving resources and the natural environment, supporting the empowerment of people, and continuing to create value for the community in which it operates.

At the basis of this commitment the responsible behaviour of people - behaviour that is defined and regulated by the Code of Ethics of Group companies and by the internal regulatory system - and relations with stakeholders, as expressed in the Sustainability and Stakeholder Engagement Policy approved by the Board of Directors on 24 January 2019 (and most recently updated on 27 June 2023) and the Policy for Managing Dialogue with all Shareholders, adopted on 18 December 2020, are key factors. More specifically, Italgas' operations are planned and conducted in compliance with the rules that safeguard competition, according to the principles of transparency, honesty, correctness and good faith. The processes and business activities are overseen by specific, certified management systems, which guarantee the health and safety of workers, environmental protection and the quality of services provided.

¹² <https://www.italgas.it/wp-content/uploads/sites/2/2023/10/Sustainable-Value-Creation-Plan.pdf>

¹³ <https://www.italgas.it/wp-content/uploads/sites/2/2023/03/Remuneration-Report-2023-and-Compensation-Paid-2022.pdf>

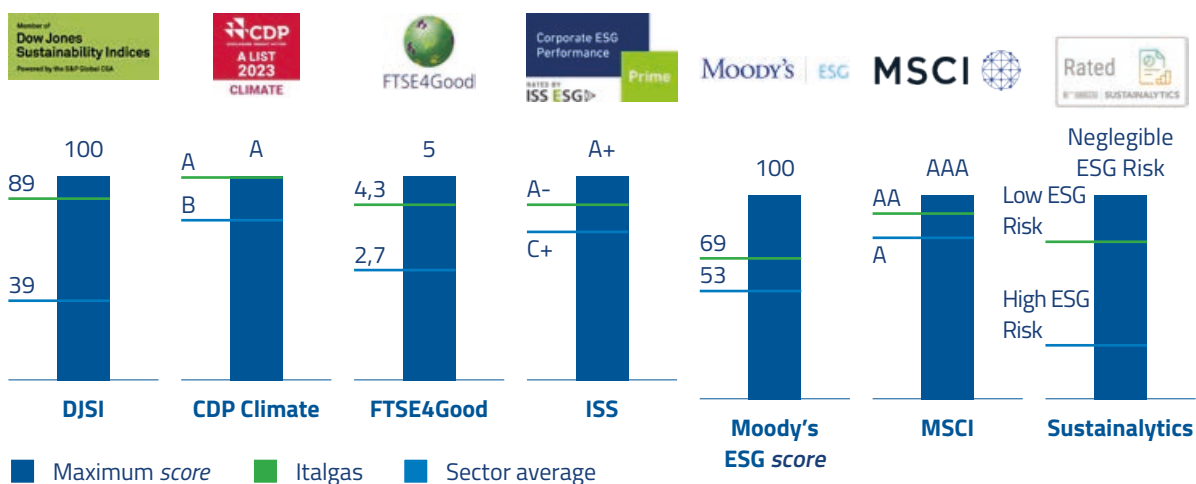
Sustainability is therefore the main cornerstone of the Company's business: it is on that basis that the Group's operational and strategic choices are defined. In this sense, it will be seen how in defining the strategic drivers to 2029 Italgas has already used as its guide the three pillars of the Sustainable Value Creation Plan, which take practical form in objectives and actions in the short term and, above all, in the medium-long term and to which specific policies formalising the company's commitment also refer, including: (i) the Code of Ethics; (ii) the Sustainability and Stakeholder Engagement Policy; (iii) the Corporate Citizenship Policy; (iv) the Diversity, Inclusion and Gender Equality Policy; (v) the Human Rights Policy; (vi) the Policy for the Prevention of Discrimination and the Protection of Dignity (vii) the HSEQE Policy; (viii) the Policy for Managing Dialogue with All Shareholders; (ix) the Policy for Preventing and Combating Corruption; and (x) the Integrated Security, Resilience and Crisis Management Policy

These policies are periodically updated and supplemented, with a view to constantly adhering to the evolution of the Group's positioning and strategies, as well as on the basis of guidelines emerging from sustainability indices and ratings, and international ESG trends.

Pursuant to legislative decree no. 254 of 30 December 2016, which introduced the obligation to publish non-financial information relevant to the company, Italgas reports on the environment, social issues, personnel, respect for human rights, the fight against active and passive corruption, within the Integrated Annual Report, drawn up according to the guidelines of the International Integrated Reporting <IR> Framework, which is available on the Group's website (<https://www.italgas.it/en/sustainability/reporting-hub/>). The GRI Standards 2021 of the Global Reporting Initiative and other specific metrics deemed relevant for the purpose were used to measure the results in the document, such as, for example, those of the disclosure requirements related to the European Taxonomy "Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to encourage sustainable investment and amending Regulation (EU) 2019/2088" and the Delegated Acts applicable thereto.

During the Financial Year, Italgas reconfirmed and even improved its sustainability ratings and the stock was included in the main international SRI stock indices, in recognition of the sustainable approach of the company's strategies and activities as well as the information it provides to its stakeholders.

POSITIONING OF ITALGAS IN THE MAIN SUSTAINABILITY RATINGS



Finally, in view of the importance of ESG performance and in order to ensure an increasingly robust reporting process, in 2023 the Corporate Reporting Internal Control System was broadened further, also in relation to the non-financial area, through the preparation of specific risk matrices and related controls in line with the scoping activities performed.

As indicated above, for further information regarding the issues dealt with, please refer to the 2023 Integrated Annual Report available on the Italgas' website: <https://www.italgas.it/en/sustainability/reporting-hub/>.



02

INFORMATION ON THE OWNERSHIP STRUCTURE

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2.1 STRUCTURE OF THE SHARE CAPITAL

At the end of the reporting period, the share capital of Italgas stood at 1,003,227,568.76 euros and is divided into 810,745,220 registered ordinary shares (ISIN: IT0005211237), with no par value, as also indicated in the table below. Italgas shares are listed on the Milan Euronext of Borsa Italiana (FTSE MIB index). Free-float shares amount to 60.5%.

It should be recalled that on 19 April 2018 the Extraordinary Shareholders' Meeting resolved to increase the share capital in one or more tranches, by a nominal maximum amount of 4,960,000 euros, through allocation - pursuant to art. 2349 of the Italian Civil Code - of a corresponding amount withdrawn from retained profits, with the issuance of a maximum of 4,000,000 ordinary shares, to be assigned free of charge to the beneficiaries of the incentive plan approved by the same Ordinary Shareholders' Meeting of 19 April 2018 and to be carried out by the final deadline of 30 June 2023 ¹⁴ ("**2018 - 2020 Co-Investment Plan**").

On 9 March 2023, the Board of Directors resolved on: (i) the free allocation of no. 499,502 ordinary Company shares to the beneficiaries of the 2018 - 2020 Co-investment Plan given the rights assigned (so-called third cycle of the plan) to such beneficiaries and accrued in accordance with the provisions of said plan at the end of the related performance period (2018-2020) and (ii) the execution of the third and last tranche of the capital increase serving the 2018 - 2020 Co-investment Plan, for a nominal amount of 619,382.48 euros taken from the retained profits with the issue of no. 499,502 new ordinary shares.

Moreover, it should be recalled that on 20 April 2021 the Extraordinary Shareholders' Meeting resolved to increase the share capital in one or more tranches, by a nominal maximum amount of 5,580,000 euros, through allocation - pursuant to art. 2349 of the Italian Civil Code - of a corresponding amount withdrawn from retained profits, with the issuance of a maximum of 4,500,000 ordinary shares, to be assigned free of charge to the beneficiaries of the incentive plan approved by the same Ordinary Shareholders' Meeting of 20 April 2021 and to be carried out by the final deadline of 30 June 2026 ¹⁵ (the "**2021 - 2023 Co-Investment Plan**").

¹⁴ On 10 March 2021, the Board resolved on: (i) the free allocation of no. 632,852 ordinary Company shares to the beneficiaries of the plan given the rights assigned (so-called first cycle of the plan) to such beneficiaries and accrued in accordance with the provisions of said plan at the end of the related performance period (2018-2020) and (ii) the execution of the first tranche of the capital increase serving the plan, for a nominal amount of 784,736.48 euros taken from the retained profits with the issue of no. 632,852 new ordinary shares. Following the capital increase carried out by the Board on 10 March 2021, the share capital amounts to 1,002,016,254.92 euros made up of 809,768,354 shares. On 9 March 2022, the Board resolved on: (i) the free allocation of no. 477,364 ordinary Company shares to the beneficiaries of the plan given the rights assigned (so-called second cycle of the plan) to such beneficiaries and accrued in accordance with the provisions of said plan at the end of the related performance period (2018-2020) and (ii) the execution of the second tranche of the capital increase serving the plan, for a nominal amount of 591,931.36 euros taken from the retained profits with the issue of no. 477,364 new ordinary shares. Following the capital increase carried out by the Board on 09 March 2022, the share capital amounts to 1,002,608,186.28 euros made up of 810,245,718 shares. In this regard, reference should be made to the information notice relating to the "2018 - 2020 co-investment plan" prepared pursuant to Article 84-bis of the Issuers' Regulations and available on the Company's website: https://www.italgas.it/wp-content/uploads/sites/2/2021/07/10-bis-Italgas-Documento-Informativo-Piano-di-coinvestimento_EN.pdf

¹⁵ In this regard, reference should be made to the information notice relating to the "2021 - 2023 co-investment plan" prepared pursuant to Article 84-bis of the Issuers' Regulations and available on the Company's website: <https://www.italgas.it/wp-content/uploads/sites/2/2020/05/Information-Documents-LTMI-Plan-20212023.pdf>

On 12 March 2024, the Board of Directors resolved on: (i) the free allocation of no. 497,089 ordinary Company shares to the beneficiaries of the 2021 - 2023 Co-investment Plan given the rights assigned (so-called first cycle of the plan) to such beneficiaries and accrued in accordance with the provisions of said 2021 - 2023 Co-investment Plan at the end of the related performance period (2019-2021) and (ii) the execution of the first tranche of the capital increase serving the 2021 - 2023 Co-investment Plan, for a nominal amount of 616,390 euros taken from the retained profits with the issue of no. 497,089 new ordinary shares. The above data relating to the share capital and Company shares do not take into account the execution of this capital increase.¹⁶

The Company has not issued special categories of shares, shares with multiple votes, shares with the right to a limited vote or without voting rights, financial instruments which give the right to subscribe new issue shares (such as convertible bonds and warrants)

2.2 RESTRICTIONS ON THE TRANSFER OF SHARES AND VOTING RIGHTS

The By-Laws do not include any restrictions on the transfer of Company shares and/or limits on the ownership of shares or any restrictions on exercising voting rights.

2.3 SIGNIFICANT SHAREHOLDINGS

The table below lists the owners of significant shareholdings in the share capital of Italgas higher than the level laid down by art. 120 of the CLF (i.e., 3%) at 31 December 2023, in accordance with the information disclosed to the Company pursuant to said Article 120 of the CLF or in any event available to the Company.¹⁷

¹⁶ As a result of the free share capital increase carried out on 12 March 2024, the share capital stood at 1,003,843,958.76 euros and is divided into 811,242,309 ordinary shares.

¹⁷ For information on shareholdings disclosed on the basis of Consob resolution no. 21304 of 17 March 2020 on the "Reduction of the initial percentage threshold pursuant to art. 120, subsection 2-bis, of Legislative Decree 58/1998 for shareholdings in the capital of listed companies - having Italy as the home Member State - with a high current market value and a particularly disseminated ownership structure" and subsequent Consob resolutions of similar content, see the website www.consob.it, "Significant shareholdings".

SIGNIFICANT SHAREHOLDINGS

DECLARANT	DIRECT SHAREHOLDER	PROPORTION OF ORDINARY SHARE CAPITAL (%)	PROPORTION OF VOTING SHARE CAPITAL (%)
CDP	CDP Reti (*) (**)	25.99	25.99
	Snam	13.47	13.47
	Total	39.47	39.47
Lazard LLC	Lazard LLC	9.7	9.7
Romano Minozzi	Granitifiandre S.p.A.	0.02	0.02
	Finanziaria Ceramica Castellarano S.p.A.	0.22	0.22
	Iris Ceramica Group S.p.A.	1.89	1.89
	Romano Minozzi	2.08	2.08
	Total	4.22	4.22
Blackrock Inc.	Blackrock Inc.	3.7	3.7
Crédit Agricole S.A.	Crédit Agricole S.A.	3.5	3.5

(*) See § 2.6 on the shareholders' agreement between Snam, CDP Reti and CDP Gas, concerning Italgas shares.

(**) CDP Reti is owned 59.1% by CDP, 35% by State Grid Europe Limited - SGEL, company belonging to the State Grid Corporation of China, and 5.9% by Italian institutional investors.

2.4 SHARES WHICH CONFER SPECIAL RIGHTS

The Company has not issued shares which confer special controlling rights.

The Issuer's articles of association do not contain any provisions relating to multiple or increased voting.

SPECIAL STATE POWERS

Italgas, together with other Group companies, holds assets in the energy and water sectors that might be considered, according to an assessment to be carried out on a case-by-case basis, also in relation to the type of transaction, to be of strategic importance for the national interest in accordance with Article 2 of Italian Decree Law No. 21 of 15 March 2012 (converted with amendments by Law No. 56 of 11 May 2012 and subsequently amended and supplemented) and by Prime Ministerial Decrees No. 179 and No. 180 of 18 and 23 December 2020, respectively.

Consequently, Italgas - within its remit - will assess in each specific case, based on the type of asset and transaction considered from time to time, whether it is subject to the rules, where applicable, on the special powers of the Italian State (so-called golden power) in strategic sectors, as set forth in the aforementioned Decree-Law No. 21/2012 and related implementing regulations.

2.5 EMPLOYEE SHARE OWNERSHIP SYSTEM: MECHANISM FOR EXERCISING VOTING RIGHTS

There are no plans for an employee share ownership system in which voting rights are not directly exercised by the employees.

2.6 SHAREHOLDER AGREEMENTS

As far as agreements between shareholders are concerned, pursuant to Article 122 of the CLF, as far as Italgas is aware, the following is noted.

A) ITALGAS SHAREHOLDERS' AGREEMENT

On 20 October 2016, Snam, CDP Reti and CDP Gas signed a shareholders' agreement ("**Italgas Shareholders' Agreement**") in order to ensure a stable and transparent ownership structure of Italgas. The Italgas Shareholders' Agreement took effect on the completion date of the Italgas Separation Transaction and the simultaneous admission to listing of Italgas shares on 7 November 2016 and involves all the shares owned by parties in the Company.

On 1 May 2017, the merger by incorporation of CDP Gas into CDP took effect and, therefore, from said date CDP replaced CDP Gas in the Italgas Shareholders' Agreement. On 19 May 2017, CDP transferred the entire investment held by the same in Italgas to CDP Reti and, by virtue of said transfer, CDP ceased to be a party to the Agreement, which continues to be in place and is fully effective between just CDP Reti and SNAM.

The Shareholders' Agreement has a duration of three years and is automatically renewed for further three-year periods, unless one of the parties gives 12 months' notice. According to this provision, in November 2019 and November 2022 the Italgas Shareholders' Agreement was renewed.

It governs, inter alia:

- the exercising of voting rights associated with shares covered by the shareholders' agreement, with the establishment of an advisory committee;
- the obligations and methods for submitting a joint list for the appointment of members of the Company's Board of Directors, with the rights of each party with regard to the designation of candidates;
- restrictions on the transfer of shares covered by the shareholders' agreement and the purchase of further shares.

On 1 August 2019 the Italgas Shareholders' Agreement was further updated to take account of the re-qualification of CDP's shareholding in Italgas as de facto control pursuant to Article 2359, subsection 1, no. 2) of the Italian Civil Code and Article 93 of the Consolidated Law on Finance (see § 2.9 of this Report).

A copy of the Italgas Shareholders' Agreement was filed at the Milan Business Register on 11 November 2016 and the related basic information, as subsequently amended, may be consulted on the Company's website: <https://www.italgas.it/en/investors/shares-and-ownership-structure/shareholders-agreements>.

On 21 March 2023, Snam and CDP Reti signed an amendment to the Italgas Shareholders' Agreement. A copy of the amending agreement was filed with the Milan Business Register on 21 March 2023. The abstract of the Italgas Shareholders' Agreement amendment agreement is available on the Company website: <https://www.italgas.it/en/investors/shares-and-ownership-structure/shareholders-agreements/>.

B) SGEL SHAREHOLDERS' AGREEMENT

On 27 November 2014, CDP, on the one side, and State Grid Europe Limited ("SGEL") and State Grid International Development Limited ("SGID"), on the other side, signed a shareholders' agreement (the "SGEL Shareholders' Agreement") under the scope of the sales agreement concluded between these parties on 31 July 2014, pursuant to which on 27 November 2014 SGEL bought a stake of 35% of the share capital of CDP Reti from CDP.

On 23 December 2014 the parties amended the SGEL Shareholders' Agreement to reflect the changes that had taken place in the meantime to CDP's equity investment in Snam.

Consistent with the effectiveness of the Italgas Separation Transaction and at the same time as the listing of Italgas shares on 7 November 2016, SGEL, SGID and CDP changed and supplemented the SGEL Shareholders' Agreement further, also extending the application with regard to the stake held by CDP Reti in Italgas, making provision, among other things, for SGEL rights with regard to the designation of one of the members of the advisory committee set out by the Italgas Shareholders' Agreement to be expressed by CDP Reti and the designation of a candidate to be included in the slate of candidates for the office of Italgas Director to be submitted by CDP Reti at the time of the appointment of the Board pursuant to the Italgas Shareholders' Agreement.

Pursuant to the SGEL Shareholders' Agreement, SGEL has undertaken to ensure that the Director appointed by it to the Company's Board of Directors if and to the extent that said Director is not independent pursuant to Article 148 of the TUF shall abstain, to the maximum extent permitted by law, from receiving information and/or documentation from Italgas in relation to matters on which there is a conflict of interest for SGEL and/or any affiliated party, in relation to business opportunities in which Italgas, on the one hand, and SGEL and/or an affiliated party, on the other, have an interest and may be in competition. Furthermore, said Director may not take part in the discussions of Italgas' Board of Directors concerning these issues.

The SGEL Shareholders' Agreement is for three years from the initial signing (i.e., from 27 November 2014) and is automatically renewed for further three-year periods, unless one of the parties gives 6 months' notice.

A copy of the SGEL Shareholders' Agreement was filed at the Milan Business Register on 11 November 2016 and the relative basic information may be consulted on the Company's website: <https://www.italgas.it/en/investors/shares-and-ownership-structure/shareholders-agreements>

2.7 CHANGE OF CONTROL CLAUSES AND STATUTORY PROVISIONS ON TAKEOVER BIDS

A) CHANGE OF CONTROL CLAUSES

Italgas signed significant loan agreements which include the right of the counterparty to cancel the agreement early following either the acquisition of control over Italgas by an entity or entities acting jointly, other than the Italian Republic or CDP, or if the Italian Republic ceases, directly or indirectly (also via CDP) to own a portion of the share capital of Italgas equal to a certain level, and also if Italgas ceases to be the majority shareholder of the share capital of Italgas Reti. In some of these agreements, the above-mentioned early extinguishment can be requested if the change of control of Italgas follows a downgrading of its credit rating.

B) STATUTORY PROVISIONS ON TAKEOVER BIDS

With regard to takeover bids, the Italgas By-Laws do not make any provision for exceptions to the passivity rule provisions of Article 104, subsections 1 and 1-bis of the CLF nor do they involve the adoption of the so-called neutralisation rule pursuant to Article 104-bis, subsections 2 and 3 of the CLF.

2.8 POWER TO INCREASE THE SHARE CAPITAL AND AUTHORISATION TO BUY TREASURY SHARES

The Board of Directors was not given the power to increase the share capital pursuant to Article 2443 of the Italian Civil Code. The Shareholders' Meeting did not authorise the purchase of treasury shares pursuant to Article 2357 et seq. of the Italian Civil Code.

2.9 DIRECTION AND COORDINATION ACTIVITIES

On 1 August 2019 CDP, given the stake indirectly held by the same in Italgas, through CDP Reti and Snam, and also in light of the provisions of the Italgas Shareholders' Agreement, also to implement the control guidance contained in Consob Decision no. 0106341 of 13 September 2017, re-qualified its shareholding relationship in Italgas as de facto control pursuant to Article 2359, subsection 1, no. 2 of the Italian Civil Code and Article 93 of the Consolidated Law on Finance.

In this regard, it should be noted that Italgas is not subject to management and coordination activities, pursuant to Articles 2497 et seq. of the Italian Civil Code, as it operates under conditions of full management and organisational autonomy. Italgas, in fact, has an independent strategic and financial planning process and its own articulated and complex corporate organisation for independent business development. The Board of Directors of the Company, among other things, has full autonomy to approve the budget and the strategic plan and has broad decision-making authority regarding the management of the Company.

Italgas, as parent company of the Italgas Group, exercises direction and coordination activities over Subsidiaries pursuant to Article 2497 et seq. of the Italian Civil Code.

2.10 ADDITIONAL INFORMATION

The information relating to the agreements between the Company and Directors that provide for indemnification (in the event of dismissal or termination of employment without just cause or if their employment is terminated following a takeover bid) can be found in the Remuneration Report that will be submitted by the Board of Directors to the Shareholders' Meeting pursuant to Article 123-ter of the TUF under the terms established by the applicable regulations.

The information required pursuant to Article 123-bis, paragraph 1, letter I) of the TUF (the rules applicable to the appointment and replacement of Directors and to the amendment of the By-Laws, if different from the legislative and regulatory provisions that are additionally applicable) can be found in the section of this Report dedicated to the Board of Directors (see § 4.2 of this Report).

03

ADHESION WITH THE CORPORATE GOVERNANCE CODE

On 4 August 2016 the Board of Directors of Italgas resolved for the first time to comply with the Corporate Governance Code in the version in force at the time.

During the Financial Year, the Issuer applied the Corporate Governance Code (in the version approved in January 2020 by the Corporate Governance Committee, available on the Issuer's website <https://www.borsaitaliana.it/comitato-corporate-governance/homepage/homepage.en.htm>) to which it adhered on 18 December 2020, and which became applicable as of 1 January 2021.

The Issuer and the Subsidiaries are not subject to non-Italian legislative provisions that influence the corporate governance structure of said Issuer.

Please refer to the executive summary at the end of this Report for a synthesis of the level of application of the CG Code as at the date of this Report.



04

BOARD OF DIRECTORS

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4.1 ROLE OF THE BOARD OF DIRECTORS

Pursuant to the By-Laws, the Board of Directors is vested with the widest-ranging powers for the routine and extraordinary management of the Company and has the right to carry out all acts it deems appropriate for the implementation and achievement of the corporate purpose, with the sole exception of acts reserved by law or the By-Laws to the Shareholders' Meeting.

Unless this duty has been previously fulfilled by the Shareholders' Meeting, the Board of Directors shall appoint a Chairperson from among its members.

The Board of Directors can delegate its duties to one or more of its members while determining the limits of the delegation pursuant to Art. 2381 of the Italian Civil Code, and can appoint the CEO. At the proposal of the Chairperson, the Board of Directors, in agreement with the CEO, can confer powers for individual acts or categories of acts on other members of the Board of Directors.

The Board of Directors can always give directives to the CEO and recall transactions coming under its jurisdiction, in the same way as it can, at any time, revoke the proxies conferred, proceeding, in the case of the revocation of proxies conferred on the CEO, at the same time to appoint another CEO.

At the meeting on 26 April 2022, subsequent to appointment of the members of the new Board of Directors resolved by the Shareholders' Meeting on the same date, the Board of Directors reserved specific duties pursuant to art. 2381 of the Italian Civil Code for its exclusive area of responsibility, as well as those which cannot legally be delegated and those envisaged by the CG Code. The list of these duties reserved exclusively to the Board of Directors can be consulted on the Company's website: <https://www.italgas.it/en/governance/board-of-directors/> and is attached as Annex 4 to this Report.

During the Financial Year, the Board assessed (i) the general performance of operations, on the basis of the regular information from the CEO; (ii) the adequacy of the organisational, administrative and general accounting structure of the Issuer and of the strategically important Subsidiaries, drawn up by the Chief Executive Officer, taking into account the nature and size of the company, including in relation to the prompt detection of the business crisis and lack of corporate continuity.

To this end, on 24 February 2021 the Board of Directors of Italgas resolved to identify "subsidiaries of strategic importance" using the same criterion used for identifying companies defined as "quantitatively relevant" for the purposes of the Corporate Reporting Internal Control System (SCIS), namely fully consolidated companies contributing over 2% to at least two of the following items in the consolidated financial statements for two financial years in a row: "Total assets"; "Revenues"; "EBITDA"; "Total financial debt". The Board of Directors applied the same criterion for the identification of "strategically important subsidiaries" at its meetings on 27 January 2022 and 22 February 2023. In application of the above criterion, the "subsidiaries with strategic relevance" are Italgas Reti S.p.A. and Toscana Energia S.p.A.

Please refer to section 13 of this Report for information on the "Policy for managing dialogue with shareholders" adopted on 18 December 2020 by the Board on the proposal of the Chairperson formulated in agreement with the Chief Executive Officer.

During the financial year, taking into account the business requirements, the Board did not deem it necessary or opportune to develop a different corporate governance system to submit to the Shareholders' Meeting for the purposes of applying Recommendation 2 of the CG Code.

The Shareholders' Meeting has not authorised, in general or as a preventive measure, any exemptions from the prohibition on competition pursuant to Article 2390 of the Italian Civil Code.

For information on the further powers of the Board of Directors regarding the appointment, composition, operation, self-assessment, internal control and risk management system and remuneration policy, please refer to § 4.2, 4.3 and 4.4 and Chapters 7 and 10 of this Report and to Section One of the 2024 Remuneration Report, available on the Company website <https://www.italgas.it/governance/remuneration>.

4.2 APPOINTMENT AND REPLACEMENT

A summary of the provisions of the Bylaws concerning the appointment and replacement of the Company's Directors contained in Article 13 of the Bylaws, available on the Company website, to which reference should be made for further details, is provided below.

SCOPE	SUMMARY OF THE PROVISIONS OF THE BYLAWS ARTICLE 13
COMPOSITION	9 (nine) members.
TERM OF OFFICE	Decided by the Shareholders' Meeting at the moment of appointment and in any case for no more than three financial years. The Directors stand down on the date of the Shareholders' Meeting convened to approve the financial statements relating to the last fiscal year in which the Directors hold office, and can be re-elected.
REQUIREMENTS	<p>The Directors may not hold any office in the administrative or control body, and is not a senior manager at Eni S.p.A. or its subsidiaries, nor does she have any relationship, direct or indirect, of a professional or patrimonial nature, with said companies.¹⁸</p> <p>Furthermore, all candidates must meet the requirements of integrity laid down in current legislation. At least 3 (three) Directors must possess the requirements of independence established for Statutory Auditors of listed companies pursuant to Article 148, subsection 3 of the Consolidated Law on Finance.¹⁹</p> <p>The appointed Directors must notify to the Company of their loss of the aforementioned requirements of independence and integrity, as well as the occurrence of causes for ineligibility and incompatibility, if any. The Board shall periodically evaluate the independence and integrity of the Directors, as well as the lack of grounds for ineligibility or incompatibility. If one of the Directors does not fulfil or no longer fulfils the established independence or integrity requirements imposed by law, or if there are grounds for ineligibility or incompatibility, the Board will dismiss the Director and arrange for him or her to be replaced or will ask that the grounds of incompatibility be removed within an established period of time, otherwise he or she must forfeit the post.</p>

¹⁹ It should also be noted that, pursuant to Recommendation 5 of the CG Code, in large companies other than those with concentrated ownership, such as Italgas, independent Directors (within the meaning of both the CLF and the CG Code) make up at least half of the board of directors.

SCOPE	SUMMARY OF THE PROVISIONS OF THE BYLAWS ARTICLE 13
METHOD OF APPOINTMENT	Vote from slates.
ELIGIBILITY TO SUBMIT SLATES²⁰	Only shareholders who alone or together represent 2% or are the owners overall of another percentage of shares stipulated by Consob shall be entitled to submit slates. ²¹ Eligibility to submit slates is defined with regard to the shares registered to the shareholder on the day on which the slates are filed at the Company. Each shareholder can submit or participate in the submission of and vote a single slate in accordance with the terms set forth in the aforementioned legislative and regulatory provisions. Each candidate must submit his/her candidacy on a single slate, under penalty of ineligibility.
FORMATION OF SLATES	<p>Shareholders must produce the relevant certification issued in accordance with the law by qualified intermediaries within the deadline set for the publication of slates by the Company.</p> <p>No less than three (3) Directors must meet the requirements of independence set forth for the Statutory Auditors of listed companies. The slates must expressly bear the names of candidates who meet the aforementioned requirement of independence.</p> <p>The slates that present three or more candidates must include candidates of different gender, as specified in the call notice for the Shareholders' Meeting, in order to respect the legal provisions on gender equality.²²</p> <p>When the number of representatives of the least represented gender must be, by law, no less than three, the slates that compete for the appointment of the majority of the members of Board of Directors must include at least two candidates of the gender that is least represented on the slate.</p> <p>Together with each slate, subject to its inadmissibility, a curriculum vitae must be filed for each candidate and the candidates' statements accepting their candidacy and certifying, under their own cognisance, the lack of grounds for ineligibility or conflict of interest, as well as the fact that they satisfy the integrity and possible independence requirements.</p>

²⁰ It should be noted that these statutory provisions do not provide for the possibility of the outgoing Board to submit a slate.

²¹ Consob - through its Managerial Resolution of the Manager of the Corporate Governance Division no. 92 of 31 January 2024 - decided, pursuant to Article 147-ter, paragraph 1 and Article 148, paragraph 2 of the CLF and Article 144-septies, paragraph 1, of the Issuers' Regulation, that the minimum level of investment required for the presentation of slates of candidates for the election of Italgas management and control bodies was 1%.

²² With specific reference to gender balance regulations, it should be noted that the regulatory framework referred to has been amended as a result of two legislative acts:

a) conversion law no. 157/2019 of Italian decree law 124/2019 (article 58-sexies) amended - in force from 25 December 2019 - article 147-ter, subsection 1-ter and article 148 of the CLF, extending from three to six consecutive terms of office, the period of application of the gender balance regulation;

b) budget law no. 160/2019, in force since 1 January 2020, confirmed the validity of the legislation in question for six consecutive terms and established that the least represented gender must constitute at least two-fifths of the elected members, instead of the previous quota of one-third.

In such regard, art. 144 -undecies.1, subsection 3, of the Issuers' Regulations provides that wherever the application of the gender division criteria does not result in an integer number of members of the administrative and control bodies belonging to the less represented gender, such number is rounded up, except for corporate bodies formed of three members, where the number will be rounded down. The new distribution criterion of at least two-fifths applies from the first renewal of the administrative body following the date of entry into force of the law and was therefore applied, on the occasion of the renewal of the Board (and the Board of Statutory Auditors) resolved by the Shareholders' Meeting on 26 April 2022 to approve the financial statements as at 31 December 2021.

SCOPE	SUMMARY OF THE PROVISIONS OF THE BYLAWS ARTICLE 13
TERM FOR SUBMISSION OF SLATES	Filing at the registered offices at least twenty-five days prior to the date of the Shareholders' Meeting called to discuss the appointment of the members of the Board and disclosure to the public at least twenty-one days prior to the date of the Shareholders' Meeting.
ELECTION METHOD	<p>Directors are elected as follows:</p> <p>a) seven Directors will be taken from the slate that obtains a majority vote of the shareholders (the "Majority Slate"), in the consecutive order that they appear on said slate;</p> <p>b) the remaining two Directors shall be taken from other lists that are not linked in any way, even indirectly, to the shareholders that presented or voted for the list coming first by number of votes (the "Minority Slates"). To this end, the votes received by the lists will be successively divided by one and two. The quotients thus obtained shall be progressively assigned to the candidates on each slate in the order specified thereon. The quotients thus assigned to candidates from the different slates will be arranged in a single decreasing gradation. Those obtaining the highest quotients will be elected. If several candidates obtain the same quotient, the candidate from the slate that has not yet elected any Director or that has elected the smallest number of Directors will be elected. If none of such slates has yet elected a Director or all of them have elected the same number of Directors, the candidate from the slate that obtained the largest number of votes shall be elected. If the different slates have received the same number of votes and their candidates have been assigned the same quotients, a new vote shall be held by the entire Shareholders' Meeting and the candidate obtaining the simple majority of the votes shall be elected;</p> <p>b-bis)²³ if the Majority Slate does not contain a sufficient number of candidates to ensure that the number of Directors to be elected pursuant to letter a) above can be reached, all the candidates listed on that slate shall be drawn, in the order stated on that slate; after a further two Directors have then been drawn from the Minority Slates, pursuant to letter b), the remaining Directors shall be drawn, for positions not covered by the Majority Slate, from the Minority Slate which has obtained the highest number of votes among the Minority Slates (the "First Minority Slate") according to the capacity of that slate. In case of insufficient capacity, the remaining Directors shall be drawn, by the same procedure, from the following slate ("Second Minority Slate") or possibly from the subsequent ones, depending on the number of votes and the capacity of the slates themselves. Finally, if the total number of candidates included in the slates that are presented - both in the Majority Slate and in the Minority Slates - is lower than that of the Directors to be elected, the remaining Directors are elected by the Shareholders' Meeting with a resolution adopted pursuant to the subsequent letter d);</p> <p>c) if, after applying the procedure described above, the minimum number of independent Directors required by the by-laws is not appointed, the quotient of votes to be attributed to each candidate taken from the lists is calculated by dividing the number of votes for each list by the consecutive number of each of these candidates; non-independent candidates with the lowest quotients among the candidates taken from all the lists shall be replaced, starting from the lowest, by the independent candidates taken from the same list as the candidate being replaced (following the order in which they are listed); otherwise, they shall be replaced by persons who meet the independence criteria and appointed in accordance with the procedure mentioned under d). If candidates taken from different slates have obtained the same quotient, the candidate from the slate from which the highest number of Directors has been taken shall be replaced, or, alternatively, the candidate taken from the slate with the fewest votes shall be replaced, or, if the number of votes is the same, the candidate who receives the fewest votes in a dedicated resolution by the Shareholders' Meeting shall be replaced;</p> <p>c-bis) if the application of the procedure described under letters a), b) and b-bis) does not permit compliance with the regulations on gender balance, the quotient of votes to be attributed to each candidate from the slates is calculated by dividing the number of votes obtained by each slate by the number of the order of each candidate; the candidate of the most represented gender who has the lowest quotient among the candidates from all the slates is replaced, without prejudice to the minimum number of independent Directors, by the candidate representing the less represented gender (with the subsequent higher number of order) on the same slate as the replaced candidates; or, alternatively, by the individual appointed in accordance with the procedure described under letter d). If candidates from different slates have obtained the same lowest quotient, the candidate from the slate from which the greater number of Directors has been taken shall be replaced, or, alternatively, the candidate taken from the slate with the fewest votes shall be replaced, or, if the number of votes is the same, the candidate who receives the fewest votes in a dedicated resolution by the Shareholders' Meeting shall be replaced;</p> <p>d) for the appointment of Directors not appointed for any reason by the above procedures, the Shareholders' Meeting shall resolve by statutory majority to ensure that the composition of the Board of Directors is consistent both with the law and with the By-Laws.</p>
REPLACEMENT OF DIRECTORS	<p>If in the course of the financial year one or more vacancies occur on the Board, the procedure specified in art. 2386 of the Italian Civil Code shall be followed. In any case, it is necessary to appoint the minimum number of independent Directors and to comply with current regulations concerning gender balance.</p> <p>If there is no longer a majority of Directors, the entire Board of Directors will resign, and a Shareholders' Meeting shall be convened in a timely manner by the Board of Directors for the reconstitution of the latter.</p>

²³ The statutory provisions governing slate voting for the appointment of the Board were modified during the Extraordinary Shareholders' Meeting of 19 April 2018. These amendments have retained the existing system under the By-Laws and the slate voting system provided for therein, but have supplemented it with further provisions; specifically, Article 13.5 has been supplemented with letter b-bis).

4.3 COMPOSITION, CURRICULUM VITAE, GUIDELINES ON THE MAXIMUM NUMBER OF OFFICES AND INDUCTION PROGRAMME

A) COMPOSITION

The Ordinary Shareholders' Meeting held on 26 April 2022 appointed the Board of Directors in office during the Financial Year and at the date of this Report for a term of three financial years and, therefore, until the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2024, based on the nominations presented by means of the 2 (two) slates shown in the table below.

SHAREHOLDER SUBMITTING THE SLATE	TOTAL EQUITY INVESTMENT HELD (% OF ORDINARY CAPITAL) ON THE DATE OF SUBMISSION OF THE SLATE	CANDIDATE LIST	% VOTE (ON CAPITAL REPRESENTED AT THE SHAREHOLDERS' MEETING/VOTING CAPITAL)
CDP Reti S.p.A. e SNAM S.p.A. (M)	39.491%	<ul style="list-style-type: none"> ▪ Benedetta Navarra* ▪ Paolo Gallo* ▪ Qijing Shen* ▪ Maria Sferruzza* ▪ Manuela Sabbatini* ▪ Claudio De Marco* ▪ Lorenzo Parola* ▪ Antonella Guglielmetti ▪ Maurizio Santacroce 	59.07%
Inarcassa - Cassa Nazionale di Previdenza e Assistenza per Ingegneri e Architetti Liberi Professionisti (m)	1.3745%	<ul style="list-style-type: none"> ▪ Fabiola Mascardi* ▪ Gianmarco Montanari* 	40.41%

* Candidates elected in light of the provisions of Article 13 of the Company Bylaws (see § 4.2 of this Report).

The Board of Directors in office during the Financial year and at the date of this Report is composed of 9 (nine) Directors, of whom 1 (one) executive Director and 8 (eight) non-executive Directors, including the Chairperson without management powers.

The table below shows the Directors in office during the Financial Year and at the date of this Report, indicating for each of them the office held and the role played in the Board and Committees, whether they met the independence requirements pursuant to the provisions of the CLF and CG Code at the end of the Financial Year, their gender and whether the current term of office is their first appointment.

MEMBER	OFFICE	EXECUTIVE POSITION	INDEPENDENCE		FIRST APPOINTMENT	CCVS	CCROPC	CNR
			CLF	CG CODE				
Benedetta Navarra (F)	Chairperson		•	•	•			
Paolo Gallo (M)	Chief Executive Officer	•						
Claudio De Marco (M) ♦	Director		•	•	•		•	•
Fabiola Mascardi (F)	Director		•	•	•			p*
Gianmarco Montanari (M)	Director		•	•	•		p	
Lorenzo Parola (M)	Director		•		•	p**		
Manuela Sabbatini (F)	Director				•		•	•
Maria Sferruzza (F)	Director				•	•		
Qinjing Shen (M)	Director					•		

(F) = Female gender

(M) = Male gender

♦ Lead Independent Director.

* Up to 21 February 2023 the Chairperson of the ACC was Mr Lorenzo Parola.

** Up to 21 February 2023 the Chairperson of the SVCC was Ms Fabiola Mascardi.

The Board of Directors is therefore composed of:

- 4 (four) Directors qualified as independent on the basis of both the independence requirements of the CLF (Articles 147-ter, subsection 4, and 148, subsection 3, of the CLF) and the CG Code (Article 2), including the Chairperson;
- 1 (one) Director qualified as independent on the basis of the independence requirements of the CLF (Article 147-ter, subsection 4 and 148, subsection 3 of the CLF);
- 4 (four) female members, in compliance with the regulations in force on gender equality;
- 7 (seven) Directors at their first appointment.

Although the Recommendation 5 of the CG Code states that, in large companies other than those with concentrated ownership, such as Italgas, independent Directors (pursuant to both the CLF and the CG Code) shall make up at least half of the board - it is believed that the current composition of Italgas' Board of Directors is in any case suitable to ensure effective monitoring of management, as well as being adequate to the needs of the company, the functioning of the board of Directors, and the establishment of committees.

From the end of the Financial Year until the date of this Report there were no changes to the composition of the Board of Directors.

In light of the above, and also taking into account the professional characteristics of the individual Directors highlighted in Annex 3 to this Report:

- the Issuer's Board at the end of the financial year and at the date of this Report was composed of executive and non-executive Directors, all of whom have the professionalism and skills appropriate to the tasks entrusted to them;
- the number and expertise of the non-executive Directors shall be such as to ensure they carry significant weight in the passing of board resolutions and to ensure the effective monitoring of operations;
- a significant proportion of the non-executive Directors are independent.

B) BOARD EVALUATION

Upon completion of the board evaluation for the Financial year, carried out from January to February 2024, the Board decided that the size and structure of the Board is entirely adequate in terms of the tasks and challenges to be addressed, and that it allows for the correct composition, in terms of the existing skills and those acquired during the term of office, of the Board Committees (see § 7.1 of this Report for the results of the board evaluation).

C) CURRICULUM

The table below summarises the education and professional characteristics of each Director in office at the end of the Financial Year and at the date of this Report. For a summary of the curriculum vitae of each member of the Board of Directors in office, please refer to Annex 3 of this Report.

DIRECTOR	SCOPE OF SKILLS, KNOWLEDGE AND EXPERIENCE							
	FINANCIAL	INDUSTRIAL	ESG/ CLIMATE CHANGE	CYBER SECURITY	AUDIT	ERM/ RISKS	HR/ PEOPLE/ HS&Q	LEGAL AND GOVERNANCE
Benedetta Navarra	▪		▪		▪	▪		▪
Paolo Gallo	▪	▪	▪	▪		▪	▪	
Manuela Sabbatini	▪				▪	▪		▪
Maria Sferruzza	▪	▪	▪					
Qinjing Shen	▪	▪	▪					
Claudio De Marco	▪	▪	▪				▪	▪
Fabiola Mascardi		▪	▪				▪	▪
Gianmarco Montanari	▪	▪	▪	▪		▪	▪	
Lorenzo Parola	▪	▪	▪					▪

D) MAXIMUM NUMBER OF OFFICES HELD AT OTHER COMPANIES

On 14 December 2022, the Board of Directors of Italgas confirmed, on the proposal of the ACC, its guidelines, already adopted on 29 January 2019, 17 December 2019, 18 December 2020 and 21 February 2022, regarding the maximum number of offices as Director or Statutory Auditor in other “relevant companies” not belonging to the Italgas Group, in compliance with the provisions of the CG Code. Specifically, the Board of Directors has set the following limits and prohibitions.

OFFICE	LIMITS/PROHIBITIONS
Chief Executive Officer (and other executive Directors, if any)	<ul style="list-style-type: none"> ▪ No other office as executive Director. ▪ A maximum of one other appointment as a non-executive Director and/or Statutory Auditor (and/or member of another control body), with the possibility of an exception being made, for up to three appointments overall, with the favourable opinion of the Board of Directors. ▪ In relation to the Chief Executive Officer alone, no office as Director of another issuing company not belonging to the Italgas Group of which another Italgas Director is Chief Executive Officer (prohibition of the so-called interlocking directorate).
Non-executive Directors	<ul style="list-style-type: none"> ▪ A maximum of an additional four offices (weighting executive appointments or appointments as non-executive Chairperson as double).

On 14 December 2022, the Board of Directors also confirmed, at the proposal of the ACC, the guidelines, already adopted on 29 January 2019, 17 December 2019, 18 December 2020 and 21 February 2022, concerning the identification of “relevant companies” to be taken into account for the purposes of the aforementioned limits on the accumulation of offices. Specifically, a “significant company” is any company, Italian or foreign, satisfying at least one of the following conditions:

- issuer company (in Italian or foreign regulated markets);
- company operating in the insurance, banking or financial sectors (e.g., asset management company, brokerage company);
- companies with Shareholders’ equity over 1 billion euros.

If the above limits indicated are exceeded, the Director involved should promptly inform the Board of Directors, which shall evaluate the situation in light of the Company’s interest and ask the Director to take the resulting decisions.

Said criteria were expressly approved by the Board of Directors at the aforementioned meetings. As most lately verified on 12 March 2024, the Directors in office at the end of the financial year and at the date of this Report comply with the guidelines approved by the Board of Directors regarding the maximum number of offices held.

The table below shows - on the basis of the declarations made by the Directors - the other significant offices pursuant to the CG Code and the prevailing view adopted by the Board of Directors in relation to the maximum number of offices held by Directors of the Company appointed by the Shareholders' Meeting of 26 April 2022 and in office during the Financial Year and at the date of this Report.

DIRECTOR	OTHER IMPORTANT POSITIONS HELD
Benedetta Navarra	Cementir Holding N. V. (non-executive Director)
	Unicredit S.p.A. (Standing Auditor)
	Mundys S.p.A. (Standing Auditor)
	Aeroporti di Roma S.p.A. (Standing Auditor)
Qinjing Shen	CDP Reti S.p.A. (non-executive Director)
	Terna S.p.A. (non-executive Director)
	Snam S.p.A. (non-executive Director)
Fabiola Mascardi	Antares Vision S.p.A. (non-executive Director)
	Grendi Holding S.p.A. Società Benefit S.p.A. (non-executive Director)
Gianmarco Montanari	FinecoBank S.p.A. (independent Director and Chairperson of the Compensation Committee)
	Tinexta S.p.A. (non-executive Director)
Manuela Sabbatini	CDP Venture Capital SGR S.p.A. (non-executive Director)

E) INDUCTION PROGRAMME

During the Financial year, the Directors were able to obtain an adequate understanding of the business sphere in which the Issuer operates, the Company dynamics and related changes, as well as the relative legislative and self-regulatory framework in place.

The Directors and Statutory Auditors attended: (i) on 22 February 2023, the in-depth analysis session "Italgas Innovation Trip" dedicated to the innovation initiatives promoted and implemented by the Italgas Group in the areas of, inter alia, engineering and operations, digitisation and cybersecurity, security and sustainability with a visit to the Digital Factory; (ii) on 19 April 2023, 16 May 2023 and 13 June 2023, in-depth analyses sessions dedicated to the Italgas Group's 2023-2029 Strategic Plan ("Plan") with a focus on the current macroeconomic and energy market scenario, on the prospects for the gas distribution business in terms of regulation and on the industrial initiatives that the Italgas Group sets out to achieve over the time frame of the Plan; (iv) on 14 September 2023, the in-depth analysis session "An induction about Italgas' Greek presence" dedicated to analysing the context and scenarios of the Greek macroeconomic and energy system, with a focus on regulation and tariff mechanisms, concluding with an overview of Italgas' development plan in Greece and the main challenges for the coming years.

Lastly, after the end of the Financial Year, on 20 February 2024, the Directors and Statutory Auditors participated in an in-depth analysis session on Sustainability, dedicated to the evolution of the regulatory environment, reporting and projects implemented and planned by the Italgas Group.

F) BOARD OF DIRECTORS DIVERSITY POLICIES AND OTHER MEASURES TO PROMOTE GENDER EQUALITY AND EQUAL OPPORTUNITIES

Diversity of Company Bodies Policy

Italgas recognises that diversity in the composition of the corporate bodies, in terms of gender, nationality, age, background and professional experience, can foster discussion and new ideas within the Board, making it open to innovation and lateral thinking with a focus on different social and environmental needs, promoting critical thinking and avoiding the risk of groupthink. Among other things, this also helps to maintain independent decision-making by corporate bodies on issues falling within their remit and to ensure the efficiency of control activities.

To such purpose, on 24 January 2019, after obtaining the opinion of the ACC, the Issuer's Board of Directors adopted the Compliance Standard "Diversity of Corporate Bodies Policy", regarding the diversity of the composition of the Italgas' Board of Directors and Board of Statutory Auditors, most recently updated by resolution of the Issuer's Board of Directors, after consulting the ACC, on 13 June 2023 ("Policy").

The Policy is available on the Company website: <https://www.italgas.it/wp-content/uploads/sites/2/2023/06/ITH-STC-073-R02-Policy-Diversity-of-Corporate-Bodies.pdf>, to which reference should be made.

In addition, on 25 July 2023, the Italgas' Board of Directors, after obtaining the favourable opinion of the ACC, updated the Compliance Standard "**Guidelines for the identification of the administration and control systems, composition and appointment of members of corporate bodies of Italgas S.p.A.'s subsidiaries and affiliates**" so as to valorise diversity in the composition of the administration and control bodies of the subsidiaries and affiliates with respect to age, gender and educational and professional background. The above Guidelines define the reference criteria, the main roles and responsibilities for choosing the administration and control systems of Subsidiaries and Affiliates the composition of the administrative and control bodies, as well as for the appointment of their members. The Italgas Group pursues the objective of ensuring equal gender representation in the administrative bodies of Subsidiaries and, as far as possible, affiliates.

Other measures to promote equal treatment and opportunities between genders

Italgas recognises and supports the importance of promoting equal opportunities, recognising the value of diversity and valorising the unique nature of its people, attributing to the same a strategic value. Italgas is committed to developing a culture of D&I, focusing on awareness-raising of the entire corporate workforce and on giving value to differences in gender, age and background in its selection, training and opportunities for growth, as well as in all the company processes, encouraging a culture where the wealth of diversity is acknowledged.

During the Financial year, Italgas S.p.A. obtained the UNI/PdR 125:2022 certification for gender equality issued by the independent body DNV, which recognises the ability of organisations to adopt a systemic approach and cultural change that is capable of creating inclusive and equal working environments.

Italgas has adopted, inter alia, the "**Diversity, inclusion and gender equality policy**", which can be consulted on the Company website: <https://www.italgas.it/wp-content/uploads/sites/2/2021/07/Italgas-Diversity-and-Inclusion-Policy-1.pdf>, to which reference should be made.

4.4 OPERATION OF THE BOARD OF DIRECTORS

During the Financial Year, the Board of Directors met 12 times; the average length of the meetings was 3 hours and 32 minutes.

The table in Annex 1 to this Report lists the attendance of each member at the Board of Directors' meetings during the Financial Year. In 2023, average attendance of Italgas' Directors at the BoD meetings was 98%, with minimum required attendance of 80%. For 2024 the Chairperson asked that at least 85% attendance at Italgas' Board meetings be guaranteed.

For the current business year 10 meetings of the Board of Directors are scheduled, including two which have already been held at the date of this Report.

The Financial Calendar which can be consulted on the Company's website (<https://www.italgas.it/en/investors/financial-calendar/>) indicates the corporate events and dates of disclosure to the public of the economic-financial results which will be examined by the Board of Directors in 2024.

The functioning of the Board of Directors is governed by regulations, updated on 25 January 2021 so as to incorporate the provisions of the CG Code (the "Board Regulations").

The Board Regulations - which can be consulted on the Company website (<https://www.italgas.it/en/governance/board-of-directors/>) - inter alia (i) attributes to the Board of Directors and the Chairperson the tasks and powers provided for by the CG Code; (ii) defines the professional requirements and the powers of the Secretary to the Board of Directors (see § 4.5 of this Report); (iii) identifies the methods and terms for calling board meetings and for sending in advance documentation regarding the items on the agenda, including the methods for protecting the confidentiality of the data and information provided so as not to prejudice the timeliness and completeness of the information flows; (iv) regulates in a precise manner the operating rules, including the methods for recording minutes of the meetings.

The table below summarises the main provisions and related time frames envisaged by Board Regulations with regard to calling meetings, pre-board meeting information and functioning of the Board:

PROVISION	TERM
PROCEDURE FOR CALLING BOARD MEETINGS	
<ul style="list-style-type: none">▪ Board meetings are called by the Chairperson or, if they are absent or unable to do so, by the Chief Executive Officer or, if they are absent or unable to do so, by the most senior Director in age, when they deem it necessary or when requested in writing by at least two Directors.▪ The call notice is sent to Directors and Statutory Auditors by the Secretary of the Board: (i) by uploading to the “Secure Area” of the digital system used by the Company (“Secure Area”), or, (ii) if such digital system cannot be used, exceptionally by e-mail or other means of telecommunication to the address indicated by each addressee.	<p>The call notice is sent at least 5 (five) days before the board meeting or, in cases of necessity and urgency, at least 12 (twelve) hours before the time of the meeting.</p>

	PROVISION	TERM
MANAGEMENT OF PRE-BOARD MEETING INFORMATION	<ul style="list-style-type: none"> ▪ The Chairperson of the Board also ensures that Directors have all the necessary information on the individual items on the agenda. ▪ The documentation relating to the items on the agenda is made available to Directors and Statutory Auditors by the Secretary of the Board, by uploading to the “Secure Area”, as well as in other agreed forms that guarantee the confidentiality of the information contained therein.²⁴ ▪ Pursuant to the provisions of the SGEL Shareholders’ Agreement (see § 2.6 letter b) of this Report), the Director appointed by SGEL, if and to the extent that said Director is not independent pursuant to Article 148 of the CLF, is not provided, to the maximum extent permitted by law, with information and/or documentation from Italgas in relation to matters on which there is a conflict of interest for SGEL and/or any affiliated party, in relation to business opportunities in which Italgas, on the one hand, and SGEL and/or an affiliated party, on the other, have an interest and may be in competition. In such an event, this Director should promptly give written notice to the Secretary to the Board and they cannot take part in the discussions of the Italgas’ Board of Directors concerning these matters. 	Provision of the documentation as a rule at least 5 (five) days before the date of the board meeting, except in exceptional cases.
PROCEDURE FOR HOLDING BOARD MEETINGS	<ul style="list-style-type: none"> ▪ The Board can meet through tele- or video conferencing, under the conditions set out in the By-Laws. ▪ The meetings of the Board are presided over by the Chairperson or, if they are absent or unable to do so, by the CEO, or, finally, if they are absent or unable to do so, by the eldest Board member. ▪ The Chairperson, in agreement with the Chief Executive Officer and the assistance of the Board Secretary ensures that the Company executives, and those of the Subsidiaries, in charge of the relevant company departments for the matter, attend the board meetings to provide further details on the items on the agenda. 	

²⁴ In exceptional cases in which price-sensitive information has not been disclosed in advance, Directors shall in any case be ensured ample disclosure in the context of the board discussion to enable them to act in an informed manner. In all other cases the provisions of the “Procedure for the in-house management of Relevant Information and Inside Information and the public disclosure of Inside Information” implemented by the Company, are applied.

	PROVISION	TERM
MINUTING OF THE MEETINGS	<ul style="list-style-type: none"> ▪ The Board Secretary is responsible for minuting the meetings, (except in those cases in which, by law, the minutes must be drafted by a notary) and may be assisted to such purpose by personnel from the Corporate Affairs department. ▪ The minutes are drawn up analytically, reporting the speeches made during the board discussions, summarised by the Secretary, and include, in the text, in annexes or in the register of company documents, the documentation made available to the Board. ▪ The draft minutes prepared by the Secretary of the Board are submitted to the Chairperson and Chief Executive Officer and, prior to approval, to the members of the Board and the Board of Statutory Auditors, who may submit comments by addressing them to the Secretary of the Board. 	Approval by the Board of the final text of the minutes, as a rule at the meeting following the one to which the minutes refer.

In the Financial year, the above terms for calling meetings and sending the relevant documentation were generally observed, and the timeliness of pre-board meeting information was not waived for reasons of confidentiality.

The Board in office, at the end of the Financial Year, and at the date of this Report, includes one Director appointed by SGEL who is not independent pursuant to Article 148 of the CLF. During the financial year there were no situations or occasions in which the said Director had to abstain from attending Board discussions pursuant to the provision referred to in the table above.

The meetings of the Board of Directors held during the financial year were all attended by the members of the Board of Statutory Auditors and the Chief Financial Officer and General Counsel were also invited to attend all the meetings. In addition, at the invitation of the Chairperson and in agreement with the CEO, other managers of the Company and of the Italgas Group also attended and provided in-depth information on the matters within their remit during the Financial year (for a detailed breakdown of the attendance of individual managers at board meetings, please refer to Annex 2 to this Report).

4.5 ROLE OF THE CHAIRPERSON OF THE BOARD OF DIRECTORS

The Italgas Ordinary Shareholders' Meeting of 26 April 2022 appointed Benedetta Navarra as Chairperson of the Company's Board of Directors.

The Chairperson is responsible for the tasks pursuant to the Italian Civil Code, the By-Laws and the CG Code. Specifically, pursuant to Article 14.2 of the By-Laws, the Chairperson:

- presides over Shareholders' Meetings, exercising functions in accordance with the law and the regulations of the Shareholders' Meeting;
- convenes and presides over the Board of Directors, prepares the agenda and coordinates activities thereof;
- ensures that all adequate information on issues listed on the agenda of the board meetings is provided to the Directors.

The Chairperson does not have executive powers, does not have a specific role in the development of corporate strategies and is not a controlling shareholder of the Company.

The Chairperson as well as the CEO, represents the Company to third parties, as well as having signing authority. The Chairperson has the tasks and duties which were reserved for her by the Board of Directors on 26 April 2022 (see Annex 4 of this Report).

The Chairperson, in compliance with the Board Regulation (last amended on 25 January 2021, also in order to integrate the functions, duties and role of the Chairperson in line with the provisions of the CG Code), plays a liaison role between the executive Directors and the non-executive Directors and ensures the effective operation of the Board proceedings.

Moreover, during the financial year the Chairperson ensured, with the assistance of the Secretary of the Board of Directors:

- that pre-board meeting information and the supplementary information provided during meetings is suitable to allow the Directors to act in an informed manner in the performance of their role (see § 4.4 and 4.6 of this Report);
- that the activities of board committees with investigation, proposal and consultation functions are coordinated with the activities of the Board (see sections 6 et seq. of this Report);
- in agreement with the Chief Executive Officer, that the Company's senior executives and those of the Group companies, in charge of the relevant management areas, attend the board meetings in order to provide appropriate supplemental information on the issues on the Board's agenda (see § 4.4 of this Report);
- that all the Directors and Statutory Auditors are allowed to participate in initiatives aimed at providing them with adequate knowledge of the business sectors where the Company operates, of the corporate dynamics and the relevant evolutions, also from the point of view of the sustainable success of the company as well as in accordance with the principles of proper risk-management and of the relevant regulatory and self-regulatory framework (see § 4.3(e) of this Report);
- the adequacy and transparency of the Board of Directors self-assessment process, with the support of the ACC (see § 7.1 of this Report);
- that the Head of the Investor Relations Department reported to the administrative body on the progress and significant content of the dialogue held with shareholders (see § 13 of this Report).

The Board Rules also provide that the Chairperson makes the following proposals to the Board, in compliance with the principles and recommendations of the CG Code:

- a. the appointment and dismissal of the Secretary of the Board of Directors;
- b. the adoption, in agreement with the CEO: *(i)* of a policy for managing dialogue with all shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers; as well as *(ii)* of a procedure for the internal management and external communication of documents and information concerning the Company, with particular reference to inside information.

The Chairperson also has the additional duties assigned to them by the “Italgas Group Guidelines of the internal control and risk management system”.

Secretary of the Board

The Board Secretary supports the activities of the Chairperson and assists the latter: *(i)* in performing the functions indicated in the Board Regulations; *(ii)* with the preparation of board meetings and shareholders’ meetings and with the preparation of the relative resolutions, also overseeing the minuting of the board meetings; *(iii)* in communication with the Directors. The Board Secretary also assists the Chief Executive Officer of the Company in relations with the Board and provides impartial assistance and consultation to the Board of Directors on every relevant aspect for the correct operation of the corporate governance system.

The Rules of Procedure of the Board provide that the Secretary is appointed by the Board, on the recommendation of the Chairperson, as a rule at the start of each term of office of the board and for its full duration. The Board, in agreement with the Chairperson, may dismiss the Board Secretary.

In addition, the Rules of the Board of Directors provide that the Secretary shall be chosen from among those possessing adequate requirements of professionalism, experience, independence of judgement and who are not in situations of conflict of interest. The Secretary of the Board must: *(i)* have a degree, preferably in law; *(ii)* have knowledge of the regulations of listed companies in a regulated market, acquired through many years of specific experience working at listed companies or the exercise of professional activities; *(iii)* have proven corporate expertise (legal, corporate, audit, etc.) acquired through many years of experience working at listed companies or the exercise of professional activities; *(iv)* have acted as secretary of the board of Directors of a joint stock company for at least three years. Taking into account these requirements, the Board of Directors on 26 April 2022, at the proposal of the Chairperson, appointed Valentina Piacentini, Head of Corporate Affairs of the Company, as Secretary of the Board for the entire duration of the Board’s term of office.

4.6 EXECUTIVE DIRECTORS

A) CHIEF EXECUTIVE OFFICER

On 26 April 2022, the Italgas' Board of Directors appointed once again Paolo Gallo as CEO, conferring on him all duties and powers, with the exclusion of those provided for otherwise by law and in the By-Laws and not reserved to the Board of Directors or the Chairperson (see § 4.1 and Annex 4 of this Report), as most recently amended on the same date.

Since the completion of the Italgas demerger, Paolo Gallo has held the position of General Manager of Italgas.

No situation of interlocking directorate applies to the Chief Executive Officer.

The CEO is also assigned the role of Chief Executive Officer pursuant to the CG Code (see § 10.2 of this Report).

Pursuant to the By-Laws, the CEO represents the Company to any judicial or administrative authority and with regard to third parties, as well as having signing authority.

B) OTHER EXECUTIVE DIRECTORS

With the exception of the CEO and General Manager, Paolo Gallo, there are no other members of the Board of Directors who qualify as executive Directors pursuant to the CG Code.

C) REPORTING TO THE BOARD

In compliance with the By-Laws, during the Financial Year, the CEO informed the Board of Directors and the Board of Statutory Auditors at Board meetings on the general performance, outlook, transactions of economic, financial and capital significance to the Company and its Subsidiaries.

The By-Laws also require that, at the meetings and at least on a quarterly basis, the Board of Directors and the Board of Statutory Auditors are informed, by the Chairperson or any Directors who are delegated the necessary duties, also with regard to transactions in which Directors have an interest on their own account or that of third parties or are affected by a party that exercises direction and coordination activities (where applicable).

4.7 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR

A) INDEPENDENT DIRECTORS

The Board of Directors in office during the Financial year and at the date of this Report is composed of 9 (nine) members, of whom 4 (four) are independent members pursuant to the CLF (articles 147-ter, subsection 4 and 148, subsection 3, of the CLF) ²⁵ and of the CG Code (Article 2), and 1 (one) independent member pursuant to the CLF (articles 147-ter, subsection 4 and 148, subsection 3, of the CLF).

The table below indicates the names of the independent Directors with an indication of the slate from which they were drawn, as well as their participation, if any, in the committees established by and within the Board of Directors.

²⁵ Pursuant to the combined effects of articles 147-ter and 148, subsection 3, of CLF, the following persons may not be considered independent:

- a) those who are in the conditions set out in article 2382 of the Italian Civil Code (i.e. interdicted and banned persons, disqualified persons, bankrupt persons or those persons who have been sentenced to a penalty entailing a ban, even temporary, from public office or the inability to exercise managerial functions);
- b) the spouse, parents and relatives to the fourth degree of the Directors of Italgas S.p.A., the Directors, spouse, parents and relatives to the fourth degree of the Directors of the companies controlled by Italgas S.p.A., of parent companies and of jointly controlled companies;
- c) those persons who are linked with Italgas S.p.A. or with the companies controlled by the company, or with the companies that control it or which are subject to joint control namely the Directors of the companies and the subjects referred to at b) above by independent employment or consultancy relationships, or other relationships of a financial nature that compromise independence.



INDEPENDENT DIRECTORS IN OFFICE AS AT 31 DECEMBER 2023 AND AT THE DATE OF THIS REPORT

MEMBER	OFFICE	RUOLO	INDEPENDENCE		SLATE (1/2)	SVCC	CCRPTC	ACC
			CLF	CG CODE				
Benedetta Navarra (F)	Chairperson	Non-executive	•	•	1			
Claudio De Marco◊ (M)	Director	Non-executive	•	•	1		•	•
Fabiola Mascardi (F)	Director	Non-executive	•	•	2			P*
Gianmarco Montanari (M)	Director	Non-executive	•	•	2		P	
Lorenzo Parola ²⁶ (M)	Director	Non-executive	•		1	P**		

1 = Slate submitted jointly by the Shareholders CDP Reti S.p.A. and Snam S.p.A.

2 = Slate submitted by the Shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti).

(F) = Female gender

(M) = Male gender

◊ Lead Independent Director.

* Up to 21 February 2023 the Chairperson of the ACC was Mr Lorenzo Parola.

** Up to 21 February 2023 the Chairperson of the SVCC was Ms Fabiola Mascardi.

Compliance with the independence requirements of the CLF and the CG Code was ascertained by the Board of Directors on the basis of declarations issued by the parties concerned: (i) subsequent to the appointment on 26 April 2022 (as per the press release disclosed to the market on the same date) taking into account the qualitative and quantitative criteria for the assessment of independence approved by the Board of Directors on 24 February 2021 and, most recently, (ii) and lastly, on 12 March 2024 taking into account the qualitative and quantitative criteria for the assessment of independence approved by the Board of Directors on 22 February 2023 and in force at the date of this Report (i.e. the Independence Criteria, see below).

Moreover, the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members was verified, with positive results, by the Board of Statutory Auditors, both following its appointment on 26 April 2022 and lastly on 7 March 2024.

The existence of the requirements of independence is also scrutinised regularly by the Board of Directors or when specific circumstances that could result in the loss of the requirements of independence of one or more Directors occur.

²⁶ In the latter regard, it should be noted that, by resolution of 2 May 2022, the Board considered Mr Lorenzo Parola, non-executive and independent Director pursuant to articles 147-ter, subsection 4, and 148, subsection 3, of the CLF but not also of article 2 of the CG Code, as a partial exception to the provisions of article 2.2 of the Regulations of the ACC and Recommendation 26 of the CG Code, suitable to hold the office of member and Chairperson of the ACC, in that, due to his high level of professionalism and many years of experience as a legal consultant in the energy sector, he has the full autonomy of judgement necessary to diligently and professionally perform the relative tasks.

It should be noted to such purpose, after implementation of the new CG Code, and at the proposal of the ACC, the Board of Directors approved the qualitative and quantitative criteria for assessing the independence of the Directors and Statutory Auditors of Italgas pursuant to Recommendation no. 7, letters c) and d) ("**Independence Criteria**"), and identified the "close relatives" for the purpose of Recommendation no. 7, letter h) of the CG Code ("**Close Relatives**").

Following in-depth benchmark analysis and with a view to ensuring greater clarity and adherence to best practices, on 22 February 2023 the Board of Directors currently in office, at the proposal of the ACC, updated the Independence Criteria and the definition of "Close Family Members" previously approved.

The table below indicates the Independence Criteria and the definition of Close Family Members in force as of 22 February 2023.

CG CODE	INDEPENDENCE CRITERIA
RECOMMENDATION 7 LETTER C) TRADE, FINANCIAL AND PROFESSIONAL RELATIONS	<p>The independence of a Director or Statutory Auditor of Italgas (the "Representative") is, or appears to be, compromised if - directly or indirectly - he/she has, or has had in the previous three financial years, a significant commercial, financial or professional relationship ("Significant Relationships"):</p> <ul style="list-style-type: none"> a. with Italgas, or companies it controls, or with their relevant executive Directors or with top management of Italgas;²⁷ b. with a subject who, also together with others through a shareholders' agreement, controls Italgas; or, if the control is held by a company or another entity, with its executive Directors or top management. <p>The Significant Relationships are considered significant if the total annual remuneration deriving from the Significant Relationships exceeds, or has exceeded in one of the previous three financial years, the average total amount of the fixed annual remuneration received in the last financial year* by a Non-Executive Director or Standing Auditor in the case of, respectively, Non-Executive Directors and Standing Auditors, or by the Chairperson of the Board of Directors or the Chairperson of the Board of Statutory Auditors in the case of, respectively, the Chairpersons of the two corporate bodies, for the office and for any participation in committees (or bodies) recommended by the Code or provided for by the regulations in force.</p> <p>In the event that the Representative is also a partner in a professional firm or consulting company, the significance of professional relationships that may have an effect on their position and role within the firm or consulting company or that in any case pertain to important transactions of Italgas and the Italgas Group will also be assessed, even independently of the quantitative parameters described.</p>
RECOMMENDATION 7 LETTER D) ADDITIONAL REMUNERATION	<p>The independence of the Representative is or appears to be compromised if he or she has received in the previous three financial years, from Italgas, one of its subsidiaries or the parent company of Italgas, significant additional remuneration with respect to the fixed remuneration for the office and the remuneration provided for participation in committees (or bodies) recommended by the Code or provided for by the regulations in force ("Additional Remuneration").</p> <p>Additional Remuneration is usually considered as significant if it is or has been in one of the three previous financial years equal to or high than 50% of the average total amount of the annual fixed remuneration received in the last financial year by a non-executive Director or by a Standing Auditor in the case, respectively, of Non-Executive Directors and Standing Auditors, or of the Chairperson of the Board of Directors or of the Board of Statutory Auditors in the case, respectively, of the Chairpersons of the two corporate bodies, for the office and for any participation in the committees (or bodies) recommended by the Code or provided for by the regulations in force.</p>

²⁷ Italgas' "top management" meaning senior executives who are not members of the administrative body and have the power and responsibility for the planning, management and control of the activities of Italgas and the group it heads.

CG CODE	INDEPENDENCE CRITERIA
CLOSE RELATIVES	<p>The Board of Directors of Italgas considers as close relations, parents, adult children, non-legally separated spouses and co-habiting partners.</p> <p>In compliance with the principles and recommendations dictated by the CG Code, Italgas' Board of Directors considers that the independence of the Representative appears compromised even if a Close Family Member of the Representative <i>(i)</i> has had a Significant Relationship pursuant to letter c) of Recommendation no. 7 of the Code or <i>(ii)</i> has received significant Additional Remuneration pursuant to letter d) of Recommendation no. 7 of the Code.</p>

* It should be noted that in the Financial Year the average annual remuneration of the Representatives was as follows: *(i)* Non-Executive Director 85,714.29 euros, *(ii)* Standing Auditor 45,000 euros, *(iii)* Chairperson of the Board of Directors 300,000 euros, *(iv)* Chairperson of the Board of Statutory Auditors 70,000 euros.

In checking the independence of the Representatives in application of the aforementioned criteria and the definition of "Close Relatives", the specific situation will be assessed, taking into account its likelihood to actually affect the independence of the Representative.

As also emerged from the results of the self-assessment of the Board (see § 7.1 of this Report), the number and competences of the non-executive and independent Directors are deemed to be adequate to the needs of the company and the operation of the Board, as well as for the establishment of the relevant Committees. Specifically, the presence of a reasonable number of non-executive and independent Directors is aimed at ensuring that suitably reasoned decisions are taken, (also) subject to examination by Directors to define matters extraneous to the operational management of Italgas and, among other things, remote from significant relations with both management and shareholders.

During the Financial year and up to the date of this Report - in compliance with Article 2, Recommendation 5 of the CG Code - the Company's independent Directors met in the absence of the other Directors on 21 February 2023, 18 July 2023 and, most recently, 18 December 2023. On these occasions, the independent Directors discussed the proposal for the appointment of the Lead Independent Director to be submitted to the Board, which then took place on 9 March 2023, board induction activities, the functioning of the Board and of the Board Committees, and the focus on financial and M&A matters.

B) LEAD INDEPENDENT DIRECTOR

In the context of the meeting of Italgas' independent Directors held on 21 February 2023, the opportunity emerged to designate a Lead Independent Director, who would represent a point of reference and connection of the requests and contributions of the non-executive Directors and, in particular, of the independent Directors, to whom, inter alia, the power would be granted to convene, independently or at the request of other Directors, special meetings of independent Directors only, to discuss issues deemed of interest with respect to the functioning of the Board of Directors or company management.

Please note that Italgas does not fall within the cases covered by Recommendation no. 13, letters a) and b), of the CG Code, in which the appointment of a Lead Independent Director is required. However, pursuant to letter c) of Recommendation 13, the Board of Directors can appoint an independent Director as Lead Independent Director in large companies (such as Italgas), even in the absence of the conditions set out in letters a) and b), if this is requested by a majority of the independent Directors.

On 9 March 2023, the Board, upon the request of the independent Directors, appointed Mr Claudio De Marco, independent Director pursuant to the CLF and the CG Code, as Lead Independent Director, whose term of office expires concurrently with that of the Board.

05

MANAGEMENT OF COMPANY INFORMATION AND PUBLICATION OF QUARTERLY FINANCIAL INFORMATION

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5.1 INSIDE INFORMATION PROCEDURES, RELEVANT INFORMATION LIST, INSIDER LIST AND INTERNAL DEALING

The Company has adopted three separate procedures for managing inside information, the insider list and internal dealing in place of the single market abuse procedure approved by the Board of Directors on 13 December 2018, so as to regulate in more detail the procedures for fulfilling the obligations established by applicable regulations.

More specifically, the Board of Directors adopted the following Market Abuse Procedures:

- i. Procedure for the internal management of Relevant and Inside Information and the public disclosure of Inside Information**, drawn up in compliance with Article 17 of Regulation (EU) 596/2014 of 16 April 2014 on market abuse, as subsequently amended and integrated (Market Abuse Regulation - hereinafter "MAR"), the relevant European Commission execution and implementation regulations and the Consob Guidelines, which regulate both the internal management of relevant and inside information and the external disclosure of inside information (as defined in Article 7 MAR) concerning the Issuer and its Subsidiaries; the procedure was last updated by resolution of the Board of Directors on 22 February 2023, at the proposal of the Chairperson, in agreement with the Chief Executive Officer, in order to integrate it with the provisions on the management of relevant information and to update it to the most recent best practices;
- ii. Procedure for management of the List of persons having access to Relevant and Inside Information** drawn up in compliance with Article 18 MAR and the relevant European Commission execution and implementation regulations and the Consob Guidelines; the procedure was last updated by resolution of the Board of Directors on 22 February 2023, at the proposal of the Chairperson, in agreement with the Chief Executive Officer, in order to integrate it with the provisions on relevant information and to update it to the most recent best practices;
- iii. Procedure for the fulfilment of Internal Dealing obligations**, drawn up in compliance with Article 19 of the MAR, the relative rules for execution and implementation of the European Commission, the relevant provisions of the CLF and the Issuers' Regulation, Regulation (EU) 2019/2115 of the European Parliament, which regulates the disclosure obligations related to transactions on financial instruments performed by relevant persons (as defined in the procedure itself). This procedure was last updated on 18 December 2020 (with effect as of 1 January 2021) so as to adapt to the EU Regulation 2019/2115 of the European Parliament and of the Council of 27 November 2019.

These Procedures also apply to Italgas' subsidiaries, within the scope of the direction and coordination activity exercised by the Company, and are available on Italgas' website <https://www.italgas.it/en/governance/market-abuse-internal-dealing/market-abuse-procedure/>.

5.2 PUBLICATION OF QUARTERLY FINANCIAL INFORMATION

Italgas has disclosed its intention to voluntarily publish financial information in addition to the Annual and Half-Year Financial Reports, consistent with the development of the reference regulatory framework and taking into account the requirements of stakeholders.

Specifically, during the financial year, the Board approved a press release published in accordance with the times scheduled in the financial calendar, with quarterly information on at least the following indicators: *(i)* key operating data; *(ii)* total revenues; *(iii)* gross operating profit for the period; *(iv)* operating profit for the period; *(v)* net profit for the period; *(vi)* investments; *(vii)* free cash flow and change in net financial debt; *(viii)* key sustainability indicators (Scope 1 and 2 emissions and net energy consumption).

In addition, the press release contains further qualitative and quantitative information helping to better explain the evolution of business. The financial calendar in force at the date of this Report can be consulted on the Company's website: <https://www.italgas.it/en/investors/financial-calendar/>.

Italgas uses the "eMarket SDIR" to transmit Regulated Information and a centralised storage mechanism called "eMarket STORAGE" to store Regulated Information, accessible at the following address www.emarketstorage.it, both of which are managed by Teleborsa S.r.l., with registered office in Foro Buonaparte 10, Milan.

Italgas also publishes press releases and documents on the website in order to guarantee all Investors and the market in general timely knowledge of the company business and corporate events, also offering the chance to gain more in-depth information. The publication of press releases and documents takes place in compliance with current legislation governing disclosure of relevant information and market abuse.



06

INTERNAL BOARD COMMITTEES

Pursuant to Article 13.8 of the By-Laws the Board of Directors may set up Committees from among its members having advisory and proposal-making functions on specific issues ("**Committees**"), appointing and, if necessary, removing members and the Chairperson.

On 4 August 2016, the Board of Directors set up the following Committees and confirmed their constitution, most recently at its meeting on 2 May 2022, following the renewal of the Board by the Shareholders' Meeting of 26 April 2022:

COMMITTEE	MATTERS ADDRESSED	APPOINTMENT OF MEMBERS IN OFFICE AT THE END OF THE FINANCIAL YEAR	REGULATIONS (LINK TO COMPANY WEBSITE)
APPOINTMENTS AND COMPENSATION COMMITTEE (ACC)	Appointments and Compensation (from CG Code and Italgas RPT Procedure*)	2 May 2022 22 February 2023	
CONTROL, RISK AND RELATED PARTY TRANSACTIONS COMMITTEE (CRRPTC)	Control and Risk (from CG Code) Related-Party Transactions (from Italgas RPT Procedure*)	2 May 2022	
SUSTAINABLE VALUE CREATION COMMITTEE (SVCC) **	Sustainability	2 May 2022 22 February 2023	

* See section 11 of this Report.

** Up to 14.12.2022 (date of the relevant resolution by the Board of Directors) the committee was called the Sustainability Committee).

The Board has determined the composition of the Committees by giving priority to the competence and experience of their members and avoiding an excessive concentration of tasks.

On 18 December 2020, the Board of Directors adopted the new regulations of the Committees, so as to incorporate the Recommendations of the CG Code, which are effective as of 1 January 2021. On 14 December 2022, the Board of Directors updated the SVCC regulation following the adoption of the new name to replace the previous "Sustainability Committee".

The composition and specific functions assigned to the individual Committees are illustrated in detail in Chapters 7, 8, 9 and 11 of this Report to which reference should be made.

As at the date of this Report, the Board has not assigned to itself the performance of any of the functions that the CG Code attributes to committees with duties in the areas of appointments, remuneration and control and risks.

A) OPERATION

The operation of the individual Committees is governed by the relevant regulations which can be consulted on the Company's website, to which reference should be made. In this regard, the individual regulations provide, inter alia, that:

- the Chairperson of each Committee plans and coordinates the Committee's activities, represents it, calls, chairs and directs its meetings, and informs the Board of Directors of the resolutions adopted by the Committee at the first available Board meeting. If the Chairperson is absent or unable to attend, he/she shall be replaced by the oldest member of the Committee present who shall perform all his or her functions;
- the call notice and any documentation regarding the items on the agenda be made available to Committee members by the Committee Secretary ("**Secretary**") at the instructions of the Chairperson, via the individual Committee's "**Secure Area**" of the digital system used by the Company ("**Secure Area**"), or in any other agreed formats which guarantee the confidentiality of the information contained therein. The call notice and the documentation are sent, as a rule, at least 5 (five) days before the date of the meeting, except in cases of necessity and urgency, or in exceptional cases. During the Financial year, this deadline was met where possible. Please note that, in addition to the obligations relating to the inside information set out in current legislation and in the "Procedure for the internal management of Relevant Information and Inside Information and the public disclosure of Inside Information" adopted by the Company, the aforesaid individuals shall be required to maintain the confidentiality of the data and information received while performing their duties;
- meetings are minuted by the Secretary, who assists the Committee Chairperson in performing his duties. The draft minutes are submitted to the Chairperson of the Committee and the other members for any observations. Minutes are then generally approved at the Committee meeting following the one to which they refer. The approved minutes are (i) sent to the Committee members, the Chairperson and the CEO, the Secretary of the Board, as well as the Statutory Auditors, through the "Safe Area"; (ii) signed by the Chairperson of the meeting and the Secretary and kept on file in the Company's records;
- The role of Committee Secretary is performed: (i) for the ACC, depending on the matters dealt at the time, by the General Counsel or the Head of Human Resources and Organisation; (ii) for the CRRPTC by the Head of Internal Audit; (iii) for the SVCC by the Head of Corporate Affairs.

The Committees have the right to access information and the necessary company functions to carry out their duties.

The Committees are also given the necessary financial resources by the Board of Directors to fulfil their tasks and, under the terms established from time to time by the Board of Directors, they can seek recourse, through the company's structures, to external consultants not in a position to compromise the independence of the opinion.



07

SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS. DIRECTORS' REMUNERATION. APPOINTMENTS AND COMPENSATION COMMITTEE

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7.1 DIRECTORS' SELF-ASSESSMENT

As provided for in the Board Regulation, in compliance with the recommendations of the Corporate Governance Code for "large companies other than those with concentrated ownership", the Board carries out at least annually, in accordance with the procedures set out in the CG Code and with the support of the Chairperson and the ACC, which are responsible for its adequacy and transparency, an assessment of the size and composition of the Board itself and its Committees, as well as their operation, also taking into account the role played by the Board in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system.

For the purposes of evaluating its own composition and that of the Committees set up within it, the Board also takes into account elements such as the professional characteristics, experience, including managerial experience, and gender of its members, as well as their seniority in office; all in accordance with the provisions of the "Diversity of corporate bodies Policy" in force at the time (see § 4.3, letter f) of this Report).

During the meeting held on 14 June 2021, at the proposal of the ACC, the Board of Directors entrusted the Board Evaluation activity to the external consultant Egon Zehnder S.p.A.²⁸ for the last year of the term of office of the Board of Directors in office up to 26 April 2022, with an option and power for Italgas to extend the contract to the subsequent three years of 2022, 2023 and 2024. The Board of Directors, at the proposal of the ACC exercised this option on 25 July 2022 and, therefore, also during the self-assessment for the Financial year, the external consultant Egon Zehnder S.p.A. was appointed to perform the Board Evaluation activity.

²⁸In this regard, it should be noted that Egon Zehnder S.p.A. does not provide any other services either to the Company or to its Subsidiaries and was appointed through a competitive procedure handled by the Legal Department. Specifically, the ACC made its proposal to the Board for the appointment of the external consultant after evaluating the bids received and the methodologies and activity schedules presented therein.

The table below provides information on the self-assessment process carried out by the Board of Directors with reference to the Financial year.

SELF-ASSESSMENT	Relating to the financial year 2023 (annual)
PERIOD PERFORMED	January 2024 to February 2024
OBJECT	Size, functioning and composition of the Board and its Committees.
EVALUATING PARTY	Board of Directors with the support of the Chairperson and the supervision of the ACC.
EXTERNAL CONSULTANT	Egon Zehnder S.p.A.
METHODS	<ul style="list-style-type: none"> ▪ The filling in of a self-assessment questionnaire by all the members of the Board of Directors, specifically structured on the peculiarities of Italgas.²⁹ ▪ individual in-depth interviews with the Chairperson of the Board of Directors, the Chief Executive Officer and the other Directors, as well as the Chairperson of the Board of Statutory Auditors, as an observer; ▪ analysis by the external consultant of the indications and results that emerged from the answers to the questionnaire and the interviews; ▪ preparation by the external consultant of a Final Report on the results; ▪ presentation of the results to the Appointments and Compensation Committee at the meeting on 14 February 2024; ▪ presentation of the results and discussion at the Board meeting on 20 February 2024.
RESULTS	The findings of the self-assessment process, covering the second year of the Board's term of office, show a broad appreciation of the functioning and the various governance aspects analysed.

²⁹ The questionnaire was also filled in by the Chairperson of the Board of Statutory Auditors, as observer, and for each topic covered by the questionnaire, adequate space was left for comments and suggestions, in order to valorise the individual contribution of each representative, including by reporting any issues worth further investigation.

MAIN STRENGTHS OF THE BOARD

- The qualitative-quantitative composition of the Board, which is well balanced in terms of expertise, professionalism, experience and diversity, the latter understood in the various meanings considered, i.e. gender, professional background, experience and age;
- attitudinal aspects ("soft skills") subject of a specific consideration, which emphasises in particular results orientation, independence of thought and integrity, the ability to handle conflicts constructively, the ability to interact with top management, collaboration and the ability to influence;
- the Board Induction programme organised for the benefit of the Board, the exhaustive content and format adopted in the various sessions held on topics aimed at fostering knowledge of the business sectors in which Italgas operates, the company dynamics and their evolution. In several aspects and meanings, a general appreciation for the training investment emerged, including with respect to the off-site session with a visit to the new registered offices of the DEPA Infrastructure Group in Athens on 29 September 2023;
- the constructive and fully cooperative relationship established between the Chairperson and the Chief Executive Officer;
- the quality and continuity of the Directors' relations with the Chairperson, the Chief Executive Officer and Management;
- the internal dynamics are fluid and collaborative, the result of the Directors' high level of maturity and their sense of responsibility and commitment to provide a valuable contribution;
- meetings, appreciated for the number, attendance and participation of Directors, as well as the level of engagement and participation in the debate by all;
- optimal information flows, in terms of content, appropriate timing and completeness of documentation;
- the power structure balanced between the Board's supervision powers and the Chief Executive Officer's management powers;
- the Board's decision-making processes, which are characterised by effectiveness and efficiency;
- the centrality of the strategy in the Board's agenda;
- the effectiveness and efficiency of the system in place for managing risk governance, ensuring its constant monitoring and internal controls;
- the integration of ESG issues in Italgas' financial strategy, as well as in the decision-making processes of the Board and the Board Committees, and the monitoring system in place;
- the appropriate and effective organisational framework and managerial structures to achieve the set objectives;
- the functioning and organisation of the Board Committees;
- the constructive and trusting relationship with the Board of Statutory Auditors, represented by its Chairperson;
- the support of the Board Secretarial Office in organising the work of the BoD and the high quality of the minutes of the meetings.

POINTS FOR REFLECTION

During the self-assessment process, some areas of reflection emerged in order to make the governance and operation of the Board even more effective, including:

- Board's update on the implementation of the Strategic Plan and on the integration of the target companies following M&A transactions;
- Board's update on the succession plans of the Top Management and on the measures in place regarding talent retention and incentives.

In accordance with Recommendation 23 of the CG Code (as mentioned above, applicable to companies other than those with concentrated ownership as is Italgas), on 21 February 2022, the Board, in the light of its renewal by the Shareholders' Meeting which took place on 26 April 2022, expressed, after a favourable opinion from the ACC and taking into account the results of the self-assessment, its view on the qualitative and quantitative composition thereof deemed optimal. It then requested shareholders submitting a slate containing a number of candidates exceeding half of the members to be elected, to provide adequate information, in the form of documentation submitted for filing the slate, on the compliance of the slate with the view expressed by the Board (also with reference to the diversity criteria), as well as to indicate their candidate for the office of Chairperson of the Board. The policy was published on the Company's website, well in advance of the date of the Shareholders' Meeting, in the following sections: <https://www.italgas.it/en/governance/shareholders-meeting/> e <https://www.italgas.it/en/governance/board-of-directors/>.

7.2 SUCCESSION PLANS

In compliance with the recommendations of the CG Code on the subject of the succession of executive directors, on 18 December 2023, at the suggestion of the ACC, the Board of Directors updated the "Contingency Plan" process to be activated in the event of the early termination of the office of the Chief Executive Officer or permanent impediment to the performance of his/her duties, broken down into the phases shown in the table below.

PHASE	DESCRIPTION
1	In the case of early termination of the office of Chief Executive Officer due to resignation, the Chairperson of the Board of Directors shall convene the Board of Directors within 24 hours from receipt of the resignation; in the case of the early termination from the office of Chief Executive Officer for reasons other than resignation or a permanent impediment in performing the functions of said office, the Legal Department, represented by the General Counsel, shall inform the Chairperson of the Board of Directors and the Chairperson of the Board of Statutory Auditors without delay (within 24 hours of becoming aware of the termination and/or impediment). The Chairperson of the Board of Directors shall convene an urgent meeting of the Board of Directors within 24 hours of receiving the notification. In the absence of the Chairperson of the Board of Directors, an urgent Board of Directors shall be called by the most senior Director in terms of age as per the provisions of art. 15 of Italgas Bylaws.
2	The Board of Directors shall meet within 48 hours of the call and assess if there is a suitable candidate for the role of Chief Executive Officer and, if there is, on the proposal of the ACC and with the approval of the Board of Statutory Auditors, it shall co-opt said candidate and confer on them the related powers. If the Board of Directors has not identified a suitable person for the role of Chief Executive Officer, with the support of the ACC it shall promptly start the process of identifying a Chief Executive Officer, in the meantime conferring the powers ad interim on one of the Directors in office.

PHASE	DESCRIPTION
3	The Appointments and Compensation Committee, also assisted by a consultancy firm specialised in the sector, shall make proposals to the Board of Directors in the shortest time possible on the identification of the candidates deemed suitable for the role of Chief Executive Officer, asking the Chairperson to call an urgent Board of Directors meeting for the necessary formalities to be carried out.
4	The Board of Directors shall meet within 5 days of the call notice referred to in point 3 above, and, on the proposal of the ACC and with the approval by the Board of Statutory Auditors, it shall co-opt a Director and identify the new Chief Executive Officer and confer on them the related powers.

During the financial year, an analysis was conducted on the updating of the Company's top management succession plan with the support of a specialised independent advisor through a methodology that included: individual assessments, analysis of the perimeter of responsibility, expertise and skills required by the role, risks associated with each individual position and analysis of the pipeline of each key position based on the Italgas' annual leadership and performance evaluation system, so as to identify a temporary internal "Contingency Plan" in the event of a crisis situation.

7.3 REMUNERATION OF DIRECTORS (REFERENCES)

In the Report on the remuneration policy and compensation paid prepared pursuant to Article 123-ter of the CLF ("**Remuneration Report**") approved by the Board of Directors and made available to the public within legal terms, the Company's policies on the remuneration of the members of the Board of Directors and the Board of Statutory Auditors, as well as of the executives with strategic responsibilities are described and the related compensation paid is indicated. The Remuneration Report also includes information on any agreements between the Company and the members of the Board of Directors that provide for compensation in the event of resignation or dismissal without just cause, or in the event of termination of employment following a takeover bid.

For information on this section, please refer to Sections I and II of the aforementioned Report available on the Company website: <https://www.italgas.it/en/governance/remuneration/>.

7.4 APPOINTMENTS AND COMPENSATION COMMITTEE

Following the renewal of the corporate bodies resolved by the Shareholders' Meeting of 26 April 2022, the Board of Directors confirmed, in its meeting on 2 May 2022, the establishment of the ACC and, therefore, the decision to assign to a single committee the tasks regarding the remuneration of Directors and executives with strategic responsibilities, as well as the appointment of Directors. This grouping meets the composition requirements envisaged by the CG Code for both committees and ensure the correct performance of the related duties in an effective and efficient manner.

In addition to its duties on the subject of appointments and remuneration indicated by the CG Code, the ACC has been assigned the tasks that, in compliance with the Consob Related Parties Regulation, are assigned to it by the Italgas RPT Procedure on the subject of transactions with related parties concerning the remuneration of Directors, Statutory Auditors, general managers and other executives with strategic responsibilities (see § 11.2 of this Report).

7.4.1 COMPOSITION

In compliance with the provisions of the relevant regulation, the ACC in office during the Financial year and as at the date of this Report is composed of 3 (three) non-executive members, of whom 2 (two), including the Chairperson, meet the independence requirements set forth by the CLF and the CG Code.

On 2 May 2022, the Board of Directors appointed the members of the ACC, consisting of 3 (three) non-executive Directors, 1 (one) of whom is independent pursuant to the CLF, acting as Chairperson, and 1 (one) independent pursuant to the CLF and the CG Code. On 22 February 2023 the Board of Directors amended the composition of the ACC by resolution, appointing as Chairperson an independent Director pursuant to both the CLF and the CG Code. In particular:

- In the period from 2 May 2022 to 21 February 2023, the ACC consisted of: Lorenzo Parola (Chairperson - independent non-executive Director pursuant to the CLF),³⁰ Claudio De Marco (non-executive and independent Director pursuant to the CLF and the CG Code) and Manuela Sabbatini (non-executive Director);
- since 22 February 2023 and at the date of this Report, the ACC is composed of 3 (three) non-executive members, 2 (two) of whom meet the independence requirements of the CLF and the CG Code, and 1(one) of whom serves as Chairperson, as shown in the table below.

³⁰ In the latter regard, it should be noted that, by resolution of 2 May 2022, the Board considered Mr Lorenzo Parola, non-executive and independent Director pursuant to articles 147-ter, subsection 4, and 148, subsection 3, of the CLF but not also of article 2 of the CG Code, as a partial exception to the provisions of article 2.2 of the Regulations of the ACC and Recommendation 26 of the CG Code, suitable to hold the office of member and Chairperson of the ACC, in that, due to his high level of professionalism and many years of experience as a legal consultant in the energy sector, he has the full autonomy of judgement necessary to diligently and professionally perform the relative tasks.

MEMBER	POSITION
Fabiola Mascardi - Chairperson	Independent non-executive (*)
Claudio De Marco	Independent non-executive (*)
Manuela Sabbatini	Non-executive

(*) Independent Director pursuant to the CLF and the CG Code.

At the meeting held on 2 May 2022 and 22 February 2023, the Board of Directors deemed, on the basis of an analysis of the professional profiles of the Directors who are members of the Committee, that the requirement of the CG Code is met, since they all have specific expertise in financial or remuneration policy matters.

The Chairperson of the Board of Statutory Auditors, or a Standing Auditor designated by the same, attends the meetings of the ACC; the other members of the Board of Statutory Auditors may also attend the Committee's meetings. As per its own regulations, the Chairperson of the Committee may also invite the Chairperson of the Board of Directors, the CEO, the other Directors, as well as the representatives of the competent company departments - informing the CEO - and persons external to the Company, to participate in individual meetings of the Committee, in order to provide information and assessments of competence with regard to individual items on the agenda (see § 7.4.2 of this Report).

Members of the ACC who have a personal interest or interest on behalf of others in relation to the subject of the resolution shall make this known to the same Committee, it being understood that no Director shall take part in Committee discussions and resolutions in which proposals are being made to the Board regarding his/her compensation, except where said discussions and resolutions affect all Committee members.

7.4.2 TASKS ASSIGNED AND ACTIVITIES PERFORMED FOR THE FINANCIAL YEAR

The ACC is responsible for assisting and supporting the Board of Directors, performing its advisory and consulting tasks and duties on the subject of appointments and remuneration assigned to it pursuant to the recommendations of the CG Code. An analytical indication of these tasks and duties is provided in the tables below with an indication of the activities performed by the Committee in relation to the Financial Year concerning (i) appointment of Directors and self-assessment by the Board of Directors and (ii) remuneration of Directors, General Managers, Statutory Auditors and Executives with strategic responsibilities:

A) APPOINTMENT OF DIRECTORS AND SELF-ASSESSMENT BY THE BOARD OF DIRECTORS

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It proposes candidates to the Board of Directors for the position of Director to co-opt if one or more directors during the year cease to hold office (Article 2386 subsection one of the Italian Civil Code), ensuring compliance with the minimum number of independent directors and quotas for the less represented gender.	Not applicable for the Financial Year
On the CEO's proposal, made in agreement with the Chairperson of the Board of Directors, it submits to the Board of Directors the candidates to serve as members of the company bodies: <i>(i)</i> of the direct subsidiaries; <i>(ii)</i> and of the indirect subsidiaries included in the consolidation scope, with an individual turnover equal to or above 30 million euros (hereinafter the "Subsidiaries"). The proposal made by the Committee is necessary.	During the Financial year, the ACC submitted to the Board of Directors the candidates for members of the corporate bodies of EDA Attikis (1 February 2023), EDA Thess and Medea (1 March 2023), Geoside and Italgas Reti (13 June 2023), Geoside and Edaon EDA (formerly DEDA - 26 September 2023), Nepta (5 October 2023)
It draws up and provides opinions for the Board of Directors on the maximum number of Director and Statutory Auditor positions that may be held in other companies listed on regulated markets, including foreign markets, or in large companies based on the criteria defined by the Board of Directors, which may be considered compatible with the effective performance of the role of Director of the Company or Subsidiaries, taking account of the commitment required for the position in the Company or Subsidiaries.	See § 4.3(d) of this Report. Last updated: 14 December 2022
It develops criteria for assessing the requirements of professionalism and independence of the Directors of the Company and Subsidiaries; with particular regard to the assessment of the Company Directors' independence pursuant to the CG Code, it proposes to the Board of Directors the quantitative and qualitative criteria to be considered when assessing the significance of <i>(i)</i> any relevant commercial, financial or professional relations pursuant to Recommendation 7(c) of the CG Code that may be entered into by the directors; and <i>(ii)</i> any relevant remuneration pursuant to Recommendation 7(d) of the CG Code received by the directors from the Company, one of its Subsidiaries or the parent company if any, additional to fixed remuneration for the position and any remuneration received for attending the board committees as recommended by the CG Code or established in the applicable regulations.	See § 4.7(a) of this Report. Last updated: 22 February 2023
It expresses its own opinion to support the assessment of the Board of Directors of specific circumstances or issues in the presence of a general and preventive authorisation for exemption from the prohibition on competition envisaged in Article 2390 of the Italian Civil Code.	Not applicable for the Financial Year

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It supports the Board of Directors in drawing up, updating and implementing the succession plan for the CEO and any other executive Director, which - as a minimum - shall set out the procedures to follow in the event of early termination of office, providing its opinion thereon; it examines and assesses the procedures adopted for the succession of top management as defined by the CG Code (hereinafter also referred to as "Top Management" or "Executives with strategic responsibilities") and provides its opinion as to their suitability to the Board of Directors.	See § 7.2 of this Report. Last updated: 18 December 2023
It draws up and proposes procedures for the annual self-assessment of the Board and its board committees, supporting the Chairperson in ensuring the suitability and transparency of the process itself.	See § 7.1 of this Report. Last updated: 20 February 2024
It provides its opinion to the Board of Directors - at each renewal of the administrative body, considering the results of the self-assessment referred to in the previous point - regarding the optimal quantitative and qualitative composition of the Board of Directors and board committees, and draws up recommendations on the professional and managerial roles deemed appropriate for the Board.	Not applicable for the Financial Year
It expresses its opinion with regard to establishing, updating and supplementing the Diversity of Corporate Bodies Policy, in compliance with the provisions therein.	See § 12.3(b) of this Report. Last updated: 13 June 2023
Reports to the Board of Directors:	
at the first meeting of the Board after each of its own meetings, with regard to subjects dealt with and the observations, recommendations and opinions formulated;	Over the course of the Financial year, the Committee Chairperson reports regularly on its activities to the Board at the first appropriate meeting, as required by the CG Code and the Committee Regulations.
at least once every six months - and as a rule at (or prior to) the meetings held to approve the annual financial report and the half-year financial report - on the activities carried out and the adequacy of the internal control and risk management system.	During the Financial year, the Committee approved its Half-Yearly Reports, which were then submitted to the Board of Directors at its meetings on 17 January 2023 and 18 July 2023.

B) REMUNERATION OF DIRECTORS, GENERAL MANAGERS, STATUTORY AUDITORS AND OTHER EXECUTIVES WITH STRATEGIC RESPONSIBILITIES

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It submits for approval by the Board of Directors the report on remuneration policy and compensation paid pursuant to Article 123- <i>ter</i> of the CLF and, in particular, the Policy for the remuneration of the administrative body members, General Managers, and Executives with Strategic Responsibilities, as well as – in accordance with the provisions of Article 2402 of the Italian Civil Code – the members of the control body (hereinafter the “Policy”), to be presented at the Shareholders’ Meeting called to approve the financial statements for the year, within the timeframe established by law.	During the Financial Year, the ACC expressed its favourable opinion on the Report on the 2023 Remuneration Policy and 2022 Compensation Paid on 7 March 2023, after having reviewed the draft and discussed it at the meetings of 23 February 2023, 1 and 2 March 2023.
It assesses the vote cast by the Shareholders’ Meeting on the two sections of the report referred to in point a), in the previous financial year, and provides an opinion thereon to the Board of Directors.	At its meeting on 18 July 2023, the ACC reviewed the results of the votes expressed at the Italgas’ Shareholders’ Meeting of 20 April 2023.
It makes proposals concerning the remuneration of the Chairperson and the Chief Executive Officer, with regard to the various forms of remuneration and pay arrangements.	Not applicable for the Financial Year
It makes proposals or expresses opinions relating to the remuneration of the board committee members.	At its meeting on 6 June 2023, the ACC reviewed the remuneration benchmarks related to the role of Lead Independent Director and expressed an opinion to the Board of Directors.
It expresses opinions, also on the basis of instructions received from the Chief Executive Officer regarding: <ul style="list-style-type: none"> ■ general criteria for the remuneration of Top Management; ■ general guidelines for the remuneration of other managers of the Company and its Subsidiaries; ■ annual and long-term incentive plans, including share-based plans. 	At its meeting on 18 December 2023, the ACC resolved to propose to the Board of Directors the new Co-Investment Plan to be submitted to the Shareholders’ Meeting in 2024
It expresses opinions – including on the CEO’s proposals – on setting performance targets and calculating the company results tied to the implementation of the incentive plans and defining the variable remuneration of Directors with powers; and proposes stipulating claw-back clauses.	See § 2.1 of this Report. Last updated: 9 March 2023
Expresses its opinion on the remuneration of the Head of Internal Audit to the CRRPTC.	Activity performed on 4 December 2023.

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It proposes the definition, in relation to directors with powers, of: i) the indemnification to be paid in the event of termination of their employment; ii) non-compete agreements.	Not applicable for the Financial Year
It monitors the implementation of the decisions made by the Board; it periodically assesses the adequacy, overall consistency and practical application of the Policy adopted, using, in this regard, the information provided by the CEO, submitting proposals to the Board on the subject.	See § 7.3 of this Report. Last updated: 12 March 2024
It performs any duties that may be required by the procedure concerning related-party transactions carried out by the Company.	Not applicable for the Financial Year
It reports on the exercising of its functions to the Shareholders' Meeting called for the approval of the annual Financial Statements, through the Chairperson of the Committee or another member delegated by the same.	See section 14 of this Report.

During the Financial Year, the ACC also:

- a. examined the results of the Corporate Governance Committee's Report for 2022 and the Recommendations for 2023;
- b. examined the remuneration benchmarks for the roles of Chief Executive Officer, Chairperson of the Board of Directors, Non-Executive Directors, members of the Board of Statutory Auditors, members of the Committees and Executives with Strategic Responsibilities;
- c. examined and formulated a proposal to the Board of Directors on the remuneration benchmarks for the role of Lead Independent Director;
- d. examined and proposed to the Board of Directors an update of the Contingency Plan process, in the case of early termination of the office of Chief Executive Officer or permanent impediment in performing the related duties;
- e. carried out an analysis regarding the updating of the succession plan for the Company's top management with the support of an independent specialised advisor;
- f. examined and proposed to the Board of Directors an update to the Compliance Standard "Diversity of Corporate Bodies Policy";
- g. examined and proposed to the Board of Directors an update to the Guidelines for the identification of administration and control systems, composition and appointment of members of corporate bodies of Italgas' subsidiaries and affiliates.

During the Financial Year, the ACC met 17 times, with each meeting lasting, on average, 1 hour 44 minutes and minutes of the meetings were regularly taken. The table in Annex 1 to this Report lists the attendance of each member at ACC meetings. The meetings of the ACC were not attended by Directors who are not members (with the exception of the Chairperson of the Board of Directors, who was invited to attend three meetings of the Committee), while the Chairperson of the Board of Statutory Auditors, the General Counsel and the Head of Human Resources and Organisation always attended, the Committee Secretary depending on the matters discussed and, upon invitation of the Chairperson after informing the Chief Executive Officer, the representatives of the company departments responsible for the matter, indicated in Annex 2 to this Report, to which reference should be made.

10 meetings of the ACC are scheduled for the current financial year, 7 of which had already been held at the date of this Report, on 2 February, 14 February, 27 February, 4 March, 6 March, 8 March and 12 March 2024. In the context of these meetings already held, the ACC, inter alia:

- a.** approved its Half-yearly Report and calendar of meetings for the year 2024;
- b.** examined the results of the Corporate Governance Committee's Report for 2023;
- c.** expressed a favourable opinion on the proposed revision of the Italgas Group's Guidelines on the Internal Control and Risk Management System;
- d.** examined the KPIs for variable remuneration;
- e.** examined the final accounting of the 2023 company objectives and decided to submit it for approval to the Board of Directors;
- f.** examined and approved the determination of the Short-Term Incentive 2023 for the Chief Executive Officer;
- g.** examined and approved the determination of the Long-Term Monetary Incentive 2020-2022 to be attributed to the Chief Executive Officer;
- h.** reviewed the finalisation of the Performance Objective for the first allocation cycle of the 2021-2023 Co-Investment Plan and resolved to submit the same to the Board of Directors;
- i.** examined and approved the Corporate Objectives 2024;
- j.** approved the targets for the 2024-2026 incentive plan goals;
- k.** examined the Report on Remuneration Policy 2024 and Compensation Paid 2023, expressing its opinion in favour of submitting the draft to the Board of Directors for approval;
- l.** examined the proposed 2024-2025 Co-investment Plan, the information notice and regulations, expressing a favourable opinion on submitting the related drafts to the Board of Directors for approval.

The work of the ACC was coordinated by its Chairperson and the meetings were duly minuted.



08

CONTROL, RISK AND RELATED PARTY TRANSACTIONS COMMITTEE

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8.1 COMPOSITION

The Control, Risk and Related Party Transactions Committee ("CRRPTC") shall be composed of 3 (three) non-executive Directors, of which 2 (two) shall be independent in accordance with the CLF and with the CG Code or, alternatively, non-executive Directors, the majority of whom are independent in accordance with the CLF and the CG Code; in the latter case, the Chairperson shall be selected from among the independent Directors. Pursuant to the relative regulations, the Committee overall shall hold adequate competences in the sector in which the company operates, functional in assessing related risks. At least one member of the CRRPTC must possess adequate experience of finance and accounting, or of risk management, assessed by the Board of Directors at the time of their appointment".

The table below describes the members of the CRRPTC, as appointed by the Board of Directors on 02 May 2022 and in office until the date of this Report.

MEMBER	POSITION
Gianmarco Montanari - Chairperson	Independent non-executive (*)
Claudio De Marco	Independent non-executive (*)
Manuela Sabbatini	Non-executive

(*) Independent Director pursuant to the CLF and the Code of CG.

At the meeting held on 02 May 2022, the Board of Directors concluded, based on an analysis of the professional profiles of the Directors composing the Committee, that the requirement of the Corporate GC was met, since they all possess specific accounting and financial or risk management skills.

The Chairperson of the Board of Statutory Auditors, or a Standing Auditor designated by the same, attends the meetings of the CRRPTC; the other members of the Board of Statutory Auditors may also attend the Committee's meetings. As per its own regulations, the Chairperson of the Committee may also invite the Chairperson of the Board of Directors, the CEO, the other Directors, as well as the representatives of the competent company departments - informing the CEO - and persons external to the Company, to participate in individual meetings of the Committee, in order to provide information and assessments of competence with regard to individual items on the agenda (see § 8.2 of this Report).

8.2 TASKS ASSIGNED AND ACTIVITIES PERFORMED FOR THE FINANCIAL YEAR

The CRRPTC has the duty of providing proposals and advice to the Board, to support it with adequate analysis, assessments and decisions regarding the internal control and risk management system as well as decisions regarding the approval of the periodic financial and non-financial reports, in accordance with the CG Code. In compliance with the Consob Related Parties Regulation, the CRRPTC also performs the duties attributed to it by the Italgas RPT Procedure (see § 11.2 of this Report) on the matter of transactions with interests of Directors and Statutory Auditors, and transactions with related parties.

An analytical indication of the duties and functions attributed to the Committee is provided in the table below, with an indication of the related activities performed in relation to the Financial year.

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It evaluates, having consulted the Officer Responsible, as well as the independent auditing firm and the Board of Statutory Auditors, the proper use of accounting standards and their consistency for the purpose of preparing the consolidated financial statements.	At the meetings prior to approval by the Board of Directors of the Half-yearly Report and the Integrated Annual Report
It assesses the suitability (at least verifying that the preparation process is correct) of the periodic financial and non-financial information, so that it correctly represents the company's business model, strategies, impact of its activities, and performance achieved, while coordinating with the SVCC.	At the meetings prior to approval by the Board of Directors of the Half-yearly Report and the Integrated Annual Report
It examines the content of the periodic non-financial information relevant to the internal control and risk management system.	At the meetings prior to approval by the Board of Directors of the Half-yearly Report and the Integrated Annual Report
It undertakes the additional duties assigned to it by the Board of Directors in relation to "transactions in which Directors or Statutory Auditors have an interest and transactions with related parties", in accordance with the terms and methods set out in the procedure on Transactions in which Directors and Statutory Auditors are interested parties and transactions with related parties.	Annually During the financial year, at its meeting of 3 February 2023, the CRRPTC reviewed the update on related-party transactions with the Head of Corporate Affairs.
It supervises the activities of the Internal Audit department.	On an ongoing basis

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It examines the regular reports prepared by the SB, by the independent auditing firm, by the Officer Responsible and by the Internal Audit Department, concerning the assessment of the internal control and risk management system and those prepared by Enterprise Risk Management concerning the identification, assessment, management and monitoring of the main risks and those of particular relevance prepared by the Head of Internal Audit.	During the Financial Year, the Committee has: <ul style="list-style-type: none"> ■ examined the half-yearly reports of the SB and those of Internal Audit (3 February and 20 July 2023); ■ reviewed the Enterprise Risk Management quarterly reports (3 March, 28 June, 20 July and 17 October 2023).
It expresses opinions on specific aspects involving the identification of the main risks to the Company.	At the moment of the Enterprise Risk Management quarterly reports
It monitors the independence, suitability, effectiveness and efficiency of the Internal Audit Department.	On an ongoing basis
It may ask the Head of Internal Audit to carry out inspections of specific operational areas, giving notice thereof to the Chairperson of the Board of Statutory Auditors, the Chairperson of the Board of Directors and the CEO.	Not applicable for the Financial Year
It may request other audits from the Head of the Internal Audit department that are not required by the Audit Plan, subject to the available resources.	Not applicable for the Financial Year
It expresses its opinion to the Board of Directors on the CEO's proposals made in agreement with the Chairperson of the Board of Directors, regarding the appointment, revocation and remuneration of the Internal Audit Manager, in line with the Company's remuneration policies, with a view to ensuring that the Internal Audit Manager has sufficient resources to fulfil his/her responsibilities; the opinion concerning remuneration is expressed to the BoD by the CRRPTC after hearing the opinion of the ACC.	See § 10.6 of this Report. Activity performed on 4 December 2023
It assesses, at the time of the appointment, the integrity, professionalism, expertise, independence and necessary experience of the Head of the Internal Audit department, as well as any incompatibilities, even in terms of conflicts of interest, with previous activities or roles held at the Company and/or its Subsidiaries.	Not applicable for the Financial Year
It supports, making suitable enquiries, the assessments and decisions of the Board of Directors regarding the management of risks resulting from prejudicial events that have come to the knowledge of the Board of Directors or which the Committee has brought to the attention of the Board of Directors.	Not applicable for the Financial Year

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It supports the Board of Directors in assessing the advisability of adopting measures to guarantee the effectiveness and impartiality of the other company departments involved in the checks, ensuring that they have adequate professional skills and resources.	At the moment of illustrating the CRRPTC Half-yearly reports to the Board of Directors
It reports to the Board of Directors on the orientation review and progress monitoring of the Anti-Bribery Management Systems - activities which are coordinated and supervised by the department of Legal Compliance and Anti-Bribery Programmes.	Annually Last updated: 3 February 2023
It expresses its opinion to the Board of Directors in order to:	
<ul style="list-style-type: none"> establish the internal control and risk management system guidelines in line with the Company's strategies, after consulting the Board of Statutory Auditors; 	Not applicable for the Financial Year
<ul style="list-style-type: none"> propose to the CEO any updates or adjustments to the internal control and risk management system guidelines or to the Internal Audit Guidelines, after consulting the Board of Statutory Auditors; 	Not applicable for the Financial Year
<ul style="list-style-type: none"> at least once a year and, as a rule, when the financial statements for the year are approved, assess the adequacy of the internal control and risk management system, considering the Company's characteristics and assumed risk profile, as well as the effectiveness of the system; 	At the meeting prior to approval by the Board of Directors of the Integrated Annual Report
<ul style="list-style-type: none"> approval, at least once a year, the audit schedule prepared by the Head of Internal Audit; 	Annually Last updated: 4 December 2023
<ul style="list-style-type: none"> describe, in the Report on Corporate Governance and Ownership Structure, the main features of the internal control and risk management system, and assess the adequacy of the system itself and the coordination procedures between the various individuals involved; 	At the meeting prior to approval by the Board of Directors of the Integrated Annual Report
<ul style="list-style-type: none"> assess the conclusions presented by the Independent Auditors in any suggestion letters and in the additional report for the Board of Statutory Auditors; 	At the meeting after approval by the Board of Directors of the Integrated Annual Report
<ul style="list-style-type: none"> appointment and removal of members of the SB 	Not applicable for the Financial Year
<ul style="list-style-type: none"> ensure the adoption of Model 231 and approval of all adjustments in line with current regulatory provisions; 	At the moment of updating Model 231. Last updated: 20 July 2023

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
<ul style="list-style-type: none"> review, steer and monitor the progress of the improvement programmes of the Anti-Bribery Management Systems - activities which are coordinated and supervised by the department of Legal Compliance and Anti-Bribery Programmes. 	<p>Annually.</p> <p>Last updated: 3 February 2023</p>
Reports to the Board of Directors:	
<ul style="list-style-type: none"> at the first meeting of the Board after each of its own meetings, with regard to subjects dealt with and the observations, recommendations and opinions formulated; 	<p>Over the course of the Financial year, the Committee Chairperson reports regularly on its activities to the Board of Directors at the first appropriate meeting, as required by the CG Code and the Committee Regulations.</p>
<ul style="list-style-type: none"> at least once every six months - and as a rule at (or prior to) the meetings held to approve the annual financial report and the half-year financial report - on the activities carried out and the adequacy of the internal control and risk management system. 	<p>The Committee approved its Half-yearly Reports, later submitted to the Board of Directors.</p>

During the Financial year, the CRRPTC also reviewed: a) the accounting treatment of engineering costs; b) the impairment test methodology; c) financial and HSE risks; d) the Group's insurance programme; e) the Corporate Governance Committee's Report for 2022 and Recommendations for 2023; f) the Integrated Reporting Project on Compliance; g) the update of the Reporting Compliance Standard; h) the Data Protection Officer's Annual Report; i) the Tax Risk Manager's Annual Report.

The CRRPTC constitutes part of an integrated system of internal controls and risk management for Italgas. In this sense, the regulation establishes specific information flows between the Committee and other bodies and departments with specific tasks with regard to internal controls and risk management.

During the Financial Year, the CRRPTC met 10 times, of which two in joint session with the SVCC, with each meeting lasting, on average, 2 hours and 45 minutes and the meetings regularly minuted.

Specifically, the CRRPTC met jointly with the SVCC: (i) on 3 March 2023 to review the risk mapping as at 31 December 2022 with the Head of ERM and to assess the suitability of the periodic, financial and non-financial information in the Integrated Annual Report 2022 to correctly represent the Company's business model, strategies, the impact of its activities and the performance achieved with the Officer Responsible, the External Relations and Sustainability Department and the Independent auditing firm (ii) on 4 December 2023 to review and assess the report 'Driving innovation for energy transition - Task Force on Climate-related Financial Disclosures ('TCFD') Report 2023'.

The table in Annex 1 to this Report lists the attendance of each member at the CRRPTC's meetings during the Financial Year. During the Financial Year, the Chairperson of the Committee, having informed the CEO, invited representatives of the company departments with expertise in the matter, external parties, to attend the Committee meetings so as to provide information and in-depth analyses, and usually the Chairperson of the Board of Statutory Auditors and/or other Statutory Auditors. For details of the representatives of the company departments attending the Committee meetings during the Financial year, please refer to Annex 2 to this Report.

10 meetings of the CRRPTC are scheduled for the current financial year, 3 of which had already been held at the date of this Report, on 23 January 2024, 15 February 2024 and 7 March 2024. In the course of the meetings already held, the CRRPTC, among other things: a) reviewed the Corporate Governance Committee's Report for 2023 and Recommendations for 2024; b) reviewed the Integrated Compliance Report; c) reviewed the Committee's Report on Activities in the Second Half of 2023; d) expressed a favourable opinion on the update of the Guidelines on the Internal Control and Risk Management System.

The work of the Committee was coordinated by the Chairperson and the meetings were duly minuted.

As at the end of the Financial Year, the Committee met jointly with the Board of Statutory Auditors in 7 meetings on 16 January, 3 February, 3 March, 21 April, 20 July, 17 October and 4 December 2023.

In 2024, up to the date of this Report, 3 meetings of the CRRPTC were held, 2 of which jointly with the control body. This made it possible to further strengthen information flows between the Committee and the control body. At these meetings, the following were reviewed, inter alia: a) the Half-yearly Report of the Internal Audit department; b) the Report of the Supervisory Board for the second half of 2023; c) the update of the special part of Model 231; d) the Impairment Test methodology; e) the DPO Annual Report for 2023; f) the Report of the Management Review for preventing and combating corruption; h) the draft Integrated Compliance Report; h) the proposed revision of the Guidelines on the Internal Control and Risk Management System; i) the annual update of the Head of Corporate Affairs on related-party transactions; g) the Whistleblowing Report as at 31 December 2023.



09

SUSTAINABLE VALUE CREATION COMMITTEE

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9.1 COMPOSITION

Pursuant to the relevant regulations, as last amended on 14 December 2022, the Sustainable Value Creation Committee ("SVCC") consists of 3 (three) non-executive members.

On 2 May 2022, the Board of Directors appointed the members of the SVCC, consisting of 3 (three) non-executive Directors, 1 (one) of whom is independent pursuant to the CLF and the CG Code and acts as Chairperson. From 2 May 2022 to 21 February 2023, the Committee was composed of: Fabiola Mascardi (Chairperson - independent non-executive Director pursuant to the CLF and the CG Code), Maria Sferruzza (non-executive Director) and Qinjing Shen (non-executive Director).

By resolution of 22 February 2023, the Board of Directors changed the composition of the SVCC, appointing Mr Lorenzo Parola as its member and Chairperson to replace Ms Fabiola Mascardi.

As at the date of this Report, therefore, the Committee is composed of 3 (three) non-executive members, 1 (one) of whom meets the independence requirements of the CLF, acting as Chairperson.

The table below indicates the members of the SVCC in office in the Financial Year as of 22 February 2023 and at the date of this Report.

MEMBER	POSITION
Lorenzo Parola - Chairperson	Independent non-executive (*)
Qinjing Shen	Non-executive
Maria Sferruzza	Non-executive

(*) Independent Director pursuant to the CLF.

The Chairperson of the Board of Directors, the CEO, the Chairperson of the Board of Statutory Auditors, as well as the Heads of the relevant departments are invited to attend the meetings of the SVCC; the other members of the Board of Statutory Auditors may also attend. As per its own regulations, the Chairperson of the Committee may also invite other Directors to individual meetings as well as other representatives of the relevant corporate departments competent on specific issues - with notification to the CEO - or parties outside the Company to provide information and express an opinion on individual relevant agenda items (see § 9.2 of this Report).

9.2 TASKS ASSIGNED AND ACTIVITIES PERFORMED IN RELATION TO THE FINANCIAL YEAR

The Board of Directors has assigned the SVCC tasks of investigating, proposing and advising the BoD on matters of sustainability, such term being understood to mean the guidelines, processes, initiatives and activities aimed at monitoring the Company's commitment to sustainable development throughout the value chain, in the pursuit of sustainable success.

The SVCC has, inter alia, the task of assisting the Board in analysing issues relevant to the generation of long-term value for shareholders and all other stakeholders in accordance with the principles of sustainable development. The SVCC is assisted in its activities by the External Relations and Sustainability Department, which liaises with the various company departments.

The table below shows the tasks and functions, as well as the activities carried out by the SVCC in relation to the Financial year.

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
<p>Examines and evaluates:</p> <ul style="list-style-type: none"> the sustainability policies aimed at ensuring the creation of value over time for shareholders and for all other stakeholder in the long-term with regard to the principles of sustainable development; this also in order to support the Board of Directors in the preparation of the business plan; the sustainability guidelines, objectives, plans, instruments and consequent processes; the disclosure of non-financial information pursuant to legislative decree no. 254/2016, to be submitted to the Board of Directors, in coordination with the Control, Risk and Related Party Transactions Committee in relation to the assessment by the latter of the suitability of the periodical financial and non-financial information for the purpose of correctly representing the business model, the Company's strategies, the impact of its activities and the performance achieved; the integration of ESG aspects into the ERM matrix; the Company's stakeholder engagement policy. 	<p>During the Financial Year, the Committee has:</p> <ul style="list-style-type: none"> examined the methodology for integrating ESG aspects into the Group's risk matrix (28 February 2023) and reviewed the results in the joint meeting with the CRRPTC (3 March 2023); examined the disclosure of non-financial information pursuant to Italian Legislative Decree No. 254/2016 and, in the joint meeting with the CRRPTC, gave its favourable opinion on the suitability of the Integrated Annual Report 2022 to correctly represent the Company's business model, strategies, the impact of its activities and the performance achieved (3 March 2023); examined and positively evaluated the sustainability targets contained in the 2023-2029 Sustainable Value Creation Plan (7 June 2023), included in the 2023-2029 Strategic Plan approved by the Board of Directors on 15 June 2023 with a view to fully integrating business and sustainability; examined and positively evaluated the proposed changes to the following policies: (i) Human Rights Policy; (ii) Policy for Health and Safety, the Environment, Quality and Energy, (iii) Corporate Citizenship Policy; (iv) Sustainability and Stakeholder Engagement Policy and (v) Policy for the Diversity of Corporate Bodies (7 June 2023); positively assessed the recognition of the sustainability index ratings illustrated by the Head of Investor Relations of Italgas, Ms Anna Maria Scaglia (19 October 2023).

DUTIES AND FUNCTIONS	ACTIVITIES CARRIED OUT
It monitors the Company's guidelines and positioning with regard to financial markets on the issue of sustainability, with reference also to the placement of the Company on the ethical/sustainability indices.	Annually. Last updated: 19 October 2023
It examines national, European and international undertakings and initiatives with regard to sustainability and the participation of the Company in them, aimed at consolidating sustainable success and corporate reputation internationally.	Last updated: 7 June 2023
It examines any sustainability initiatives in agreements submitted to the Board of Directors, also with regard to the subject of climate change.	Not applicable for the Financial Year
It examines the profit and non-profit strategy, as well as the gas advocacy of the Company.	Last updated: 7 June 2023
It expresses, at the request of the Board, an opinion on other matters regarding sustainability.	Not applicable for the Financial Year
After every meeting, it updates the Board of Directors, at the first available meeting, on the topics discussed and the comments, recommendations and opinions formulated therein; it also reports to the Board, at least once every six months, not later than the date for the approval of the annual and half-yearly report, on its activities at the meeting specified by the Chairperson of the Board of Directors.	<p>During the Financial year:</p> <ul style="list-style-type: none"> the Chairperson of the Committee reported regularly to the Board of Directors on its activities at the first possible meeting the Committee approved the Committee's half-yearly reports, which were then submitted to the Board of Directors.
Reports to the Board of Directors:	
<ul style="list-style-type: none"> at the first meeting of the Board after each of its own meetings, with regard to subjects dealt with and the observations, recommendations and opinions formulated; 	Over the course of the Financial year, the Committee Chairperson reports regularly on its activities to the Board of Directors at the first appropriate meeting, as required by the CG Code and the Committee Regulations.
<ul style="list-style-type: none"> at least once every six months – and as a rule at (or prior to) the meetings held to approve the annual financial report and the half-year financial report – on the activities carried out and the adequacy of the internal control and risk management system. 	The Committee approved the Committee's half-yearly reports, which were then submitted to the Board of Directors.

During the Financial year, the SVCC met 8 times, two of which in joint session with the CRRPTC, as specified in the table above. The average duration of each meeting of the SVCC was 1 hour and 40 minutes, while the average duration of each meeting held jointly with the CRRPTC was 70 minutes.

During the current financial year, 7 meetings of the SVCC are scheduled, and as at the date of this Report, 3 meetings have already been held on 27 February, 4 March and 7 March 2024, one of which was held jointly with CRRPTC, at which the Committee discussed the following topics: a) approval of the Half-yearly Report and the calendar of meetings for 2024; b) review of the Corporate Governance Committee's Report for 2023 and Recommendations for 2024; c) review of this Report for the part relating to sustainability; d) review of ESG KPIs for the variable remuneration of the Chief Executive Officer; e) review of non-financial elements pursuant to Italian Legislative Decree no. 254/2016 of Italgas' Integrated Annual Report 2023; f) examination of KPIs for variable remuneration.

At the meeting held on 7 March 2024 jointly with the CRRPTC, the SVCC met with the Head of ERM to review the mapping of risks as at 31.12.2023 and also met with the Officer responsible for the preparation of financial reports, the External Relations and Sustainability Department and the Independent Auditing Firm to assess the suitability of the periodical, financial and non-financial information of the 2023 Integrated Annual Report to correctly represent the business model, the company's strategies, the impact of its activities and the performance achieved.

The work of the Committee was coordinated by its Chairperson and the meetings were duly minuted.

The Head of External Relations and Sustainability, the Head of Sustainability and the General Counsel took part in all the meetings of the SVCC held during the Financial year, together with the Head of Corporate Affairs, assisting the Chairperson in setting the Committee's agenda. The Chairperson of the Board of Directors, the Chairperson of the Board of Statutory Auditors, and the heads of company departments within whose remit the items on the agenda fell, also attended the Committee meetings. At the invitation of the Chairperson and in agreement with the CEO, during the Financial year the heads of company departments indicated in Annex 2 attended and provided appropriate insights into the topics within their remit.



10

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

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10.1 DESCRIPTION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

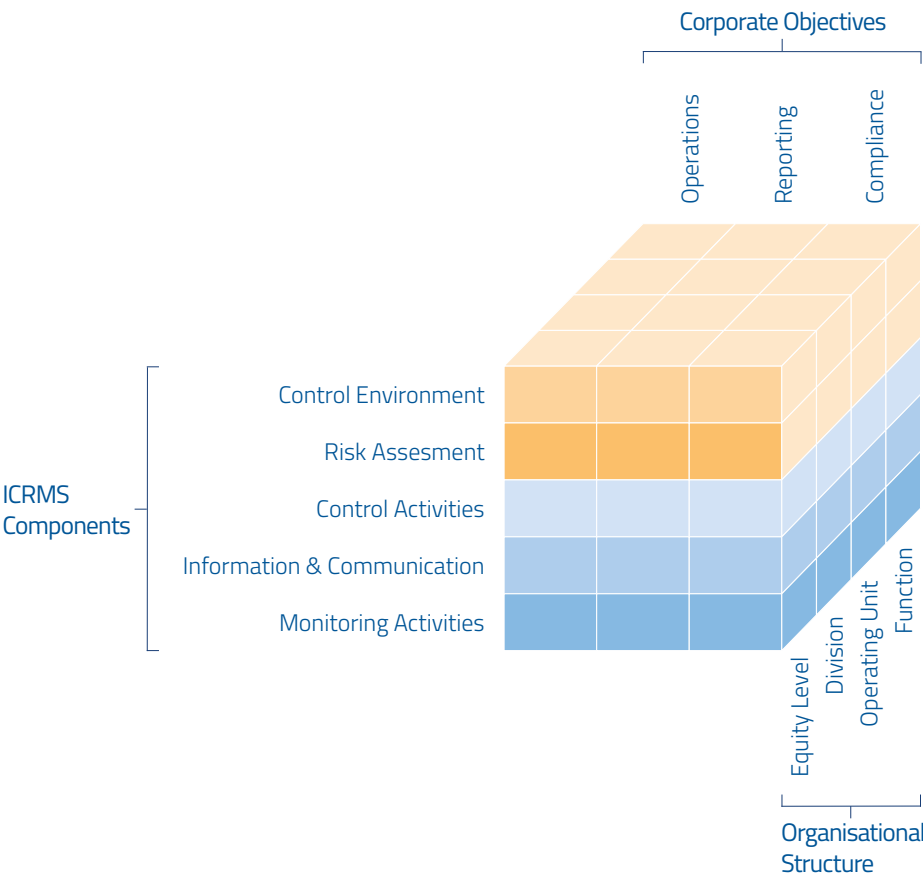
In order to promote and maintain an adequate Internal Control and Risk Management System ("ICRMS"), Italgas uses organisational, information and regulatory tools that allow it to identify, measure, manage and monitor the Italgas Group's main risks and, in line with the CG Code to which the Company has adhered, to contribute to its sustainable success.

This system is integrated into the organisational, administrative and accounting structure and, more generally, a corporate governance system that ensures compliance with the laws and company procedures, protects the company assets and contributes to the management of activities, solidifying the accounting and financial data processed.

The adoption of the ICRMS was resolved by the Board of Directors, with the support of the CRRPTC, from the moment of Italgas' adherence, on 4 August 2016, to the Corporate Governance Code in force (now CG Code). In this context, and also in order to fully implement the provisions of the Corporate Governance Code, the Italgas' Board of Directors:

- has adopted the "**Guidelines on the Italgas Group's internal control and risk management system**" of which the "Guidelines on the Italgas Group's internal audit activities" are an integral part ("**Guidelines**"), last updated on 20 February 2024, dictating: (i) on the one hand, the general principles according to which Italgas manages the Group's main risks in line with the strategic objectives identified and in order to contribute to Italgas' sustainable success; (ii) on the other hand, the coordination and information flow procedures between the various actors involved, in order to maximize the effectiveness of the Control and Risk Management System, and its efficiency (reducing duplication of activities), and ensure effective performance of the Board of Statutory Auditors' duties;
- set up the Enterprise Risk Management and Corporate reporting internal control system (so-called 'ERM&SCIS') department reporting to the Chief Financial Officer, with the task of coordinating the system for identifying, measuring, managing and monitoring the main corporate risks and the control system for corporate disclosures;
- adopted the Compliance Standard on the Corporate Reporting Internal Control System (SCIS), i.e., the process aimed at monitoring the reliability of corporate disclosures (financial and non-financial) and the ability of corporate processes to produce such disclosures in accordance with applicable regulations and accounting standards.

The ICRMS is defined on the basis of national and international models and best practices, aimed at consolidating its effectiveness and overall efficiency, taking into account the international characteristics of the Company. In this regard, the 2017 COSO Report on Enterprise Risk Management issued by the Committee of Sponsoring Organisations of the Treadway Commission, represents the internationally recognised reference framework for understanding the analysis and integrated assessment of the efficiency of the ICRMS. The COSO framework identifies a direct relationship between corporate objectives (efficiency and effectiveness of operations, reporting and compliance), the components of the ICRMS and the organisational structure. A graphic representation of this relationship is shown below:



The ICRMS is periodically updated by the Chief Executive Officer in the performance of his/her function as “Director in charge of the internal control and risk management system” pursuant to the CG Code, and by the Board of Directors, with the support of the CRRPTC, within the scope of their respective remits, so as to constantly ensure its suitability to monitor the main risk areas of the company’s business.

Most recently, on 12 March 2024, the Board of Directors, in accordance with the provisions of Article 6, Recommendation 33 of the CG Code, after consulting the CRRPTC, deemed the internal control and risk management system adopted by the Company adequate with regard to the characteristics of the business and the risk profile assumed. It also found it to be effective in relation to the strategic objectives of Italgas and the Group, with a view to the pursuit of sustainable success, including the methods of coordination between the various parties involved, assessing the appropriateness of adopting measures to ensure effective and impartial judgement of the other corporate departments involved in the controls, deeming them to have adequate professionalism and resources.

A) GUIDING PRINCIPLES

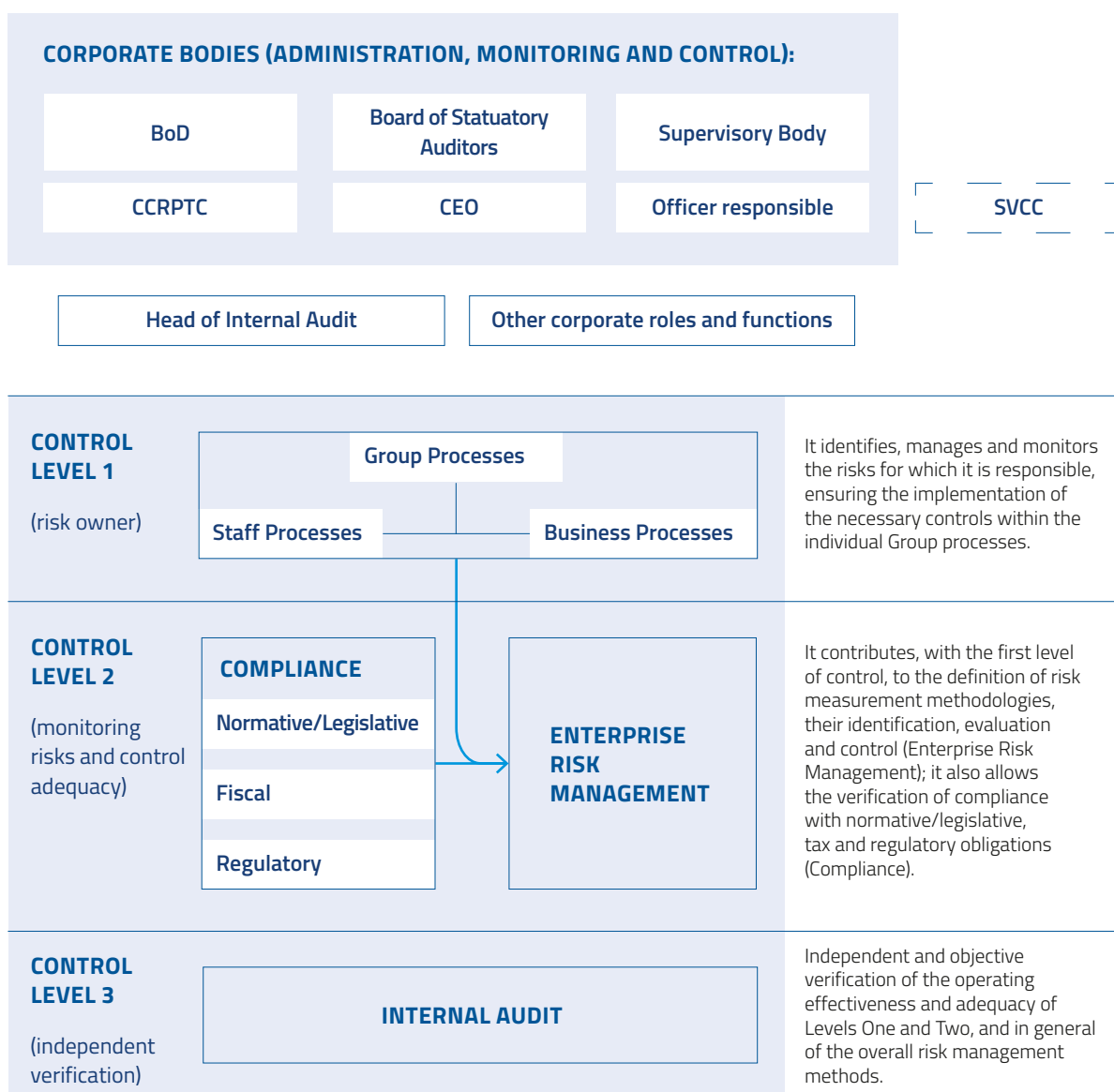
The guiding principles underlying the entire ICRMS, as defined by the Board of Directors in the Code of Ethics, are as follows:

SEGREGATION OF ACTIVITIES	Segregation of activities between the executing party, the controlling party and the authorising party.
LEGISLATION	Adoption of company regulations that can provide general benchmark principles for governing corporate processes and activities (specifically, adoption of a Regulatory System).
POWERS TO SIGN AND POWERS TO AUTHORISE	Adoption of formal rules for the exercise of signatory powers and internal powers of authorisation.
TRACEABILITY	Adoption of information systems that can identify and reconstruct sources, information and checks carried out in support of the formation and implementation of the Company's decisions and financial resources management procedures.

B) ARCHITECTURE

The Italgas Internal Control and Risk Management System is based on an integrated control model with the identification of the tasks of each body and department involved and concrete coordination procedures between them, as specifically governed in the specific rules and procedures that are part of the ICRMS.

Management is primarily responsible for applying the ICRMS since control activities are an integral part of managerial processes. Management must therefore foster an atmosphere that is actively orientated towards control and, in particular, oversee "line controls", which are all the control activities that the individual operating units or companies carry out on their processes. Specifically, Italgas' risk management system comprises the following three levels of internal control:



C) THE ACTORS INVOLVED: ROLE AND RESPONSIBILITIES

Italgas' Internal control and risk management system is an integrated system that involves multiple actors with different corporate roles (governance and control bodies, corporate structures, management), who carry out activities that are coordinated and interdependent, as well as complementary in the aims pursued, structural features and rules of operation; specifically:

- the **Board of Directors**, which plays a guiding role and assesses the adequacy and effectiveness of the ICRMS (see "Duties reserved exclusively to the Board of Directors" numbers 3 and 4 in Annex 4 to this Report);
- the **Chief Executive Officer**, who is in charge of establishing and maintaining an effective ICRMS (see § 10.2 of this Report);
- the **Control, Risk and Related Party Transactions Committee (CRRPTC)**, set up within the Board of Directors with the task, inter alia, to support the assessments and decisions made by the Board of Directors relating to the ICRMS, as well as those relating to the approval of regular financial and non-financial reports (see § 8.2 of this Report);
- the **Sustainable Value Creation Committee (SVCC)**, constituted within the Board, with the task of investigating, proposing and advising the BoD on matters of sustainability. In the context of the ICRMS, the SVCC coordinates with the CRRPTC for the purposes of the latter's assessment of the suitability of regular, financial and non-financial information to correctly represent the company's management and organisation model, its strategies, the impact of its activities and the performance achieved (see § 9.2 of this Report);
- the **Board of Statutory Auditors**, also in its capacity as the "Internal Control and Audit Committee" pursuant to Legislative Decree no. 39 of 27 January 2010, which oversees the effectiveness of the ICRMS (see § 12.1 of this Report);
- the **Supervisory Body (SB)**, that supervises the operation, compliance with and updating of the Model 231 (see § 15.1 of this Report);
- the **Officer Responsible**, whose activity is also regulated by Law No. 262/2005 (see § 10.5 of this Report);
- the **Head of the Internal Audit department**, responsible for verifying that the ICRMS is operational and suitable, as well as consistent with the Guidelines (see § 10.3 of this Report);
- the **other corporate functions and roles with specific internal control and risk management duties**, structured according to the size, complexity and risk profile of the company (who represent the so-called second tier of control - for a description of the single departments see letter d) below and § 10.6 of this Report).

D) ITALGAS ENTERPRISE RISK MANAGEMENT

Among the corporate departments involved in the ICRMS, the Enterprise Risk Management and Corporate Reporting Internal Control System (ERM&SCIS) Department, reporting to the Chief Financial Officer, among its responsibilities, is tasked with overseeing the Group's integrated business risk management process. The ERM activities focus on the definition of a homogeneous, transversal model for assessing the risks, identifying priority risks, ensuring consolidation of the mitigation actions and developing a reporting system.

The Enterprise Risk Management activities involve drawing up specific summary reports on the identification, assessment and management of risks and discussing them at various company levels. The results found in relation to the main risks and related management plans are presented at each update to the CRRPTC and at least annually to the Board of Directors.

For further information on the ERM methodology adopted by the Group, the activities carried out and the risk assessment model adopted, please refer to the section "Risk Management", section "Overview of the enterprise risk management model" available on the Company website: <https://www.italgas.it/en/governance/internal-control-compliance/risk-management/>.

Main ERM-related information flows

The Chief Executive Officer, as the person in charge of establishing and maintaining the ICRMS, most recently presented the results of the risk mapping analysis as at 31 December 2023, including, by way of example, the risks related to climate change and Cyber security, to the Issuer's Board of Directors on 12 March 2024.

With reference to Enterprise Risk Management activities, during the Financial year, the ERM&SCIS Department attended four meetings of the CRRPTC: on 3 March 2023 for analysis of the risk mapping as at 31 December 2022; on 28 June 2023 for analysis of the risk mapping as at 31 March 2023; on 20 July 2023 for analysis of the risk mapping as at 30 June 2023 and for analysis of the risks/opportunities of the strategic plan; on 17 October 2023 for analysis of the risk mapping as at 30 September 2023. In addition, specific focuses on financial risks were presented to the CRRPTC.

On 7 March 2024, the SVCC reviewed the risk mapping as at 31 December 2023, assessing the integration of ESG aspects into the Group's risk matrix, in joint discussion with the CRRPTC.

At the joint session with the CRRPTC on 4 December 2023, the risks and opportunities related to climate change summarised in the report "Driving innovation for energy transition" were presented. This report examines the relationship between Italgas Group's business and climate change impact, in line with the recommendations set by the Task Force on Climate-Related Financial Disclosure (TCFD).

Moreover, the mapping of risks and the relative management strategies are presented periodically to the Board of Statutory Auditors and the Supervisory Body of Italgas and to the Boards of Statutory Auditors and the Supervisory Bodies of the Subsidiaries.

The Officer Responsible and the Internal Audit department periodically receive the results of the risk assessments performed by the ERM&SCIS department.

The Issuer's risks are summarised in the dedicated section of the Group's consolidated integrated financial statements ("Risk Management and Internal Control System") which can be consulted on the website: <https://www.italgas.it/en/investors/financial-statements-presentations/>.

E) COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In order to allow the various persons involved in the ICRMS to adequately perform the role entrusted to them within the framework of this system, to maximise the efficiency of the system itself, reduce duplication of activities and ensure effective performance of the duties of the Board of Statutory Auditors, specific information flows are defined between the various levels of control and the competent management and control bodies, appropriately coordinated in terms of content and timing.

In particular, the Board of Statutory Auditors attends the meetings of the Board of Directors and the Chairperson of the Board of Statutory Auditors, or a Statutory Auditor designated by her, attends the meetings of Board Committees. The Board of Statutory Auditors and the CRRPTC receive and collect information about checks carried out, at least every six months, from the control functions and from the Independent Auditors.

Pursuant to the Guidelines and Article 4.5 of the CRRPTC Regulation, the Board of Statutory Auditors receives the information flows required to perform its duties. In particular, the Board of Statutory Auditors and the CRRPTC shall promptly exchange information relevant for the performance of their duties.

The SB and independent auditing firm meet periodically with the CRRPTC and the Board of Statutory Auditors.

The secretary of the CRRPTC is the Head of Internal Audit, who maintains periodic communication flows with the other company bodies and departments, as well as overseeing and monitoring the ICRMS.

As envisaged by the Guidelines, the results of each audit are set out in reports prepared by the Internal Audit Department, which are simultaneously sent to the CEO, the Chairperson of the Board of Directors, the CRRPTC, the Board of Statutory Auditors, the top management of the

structures audited, the Officer Responsible and, for the aspects falling within its remit, the SB. For audits involving the Subsidiaries, these communications are transmitted, not only to the subjects indicated above, but also to the Chief Executive Officers/Chairpersons of the Board of Directors and the control and supervisory bodies of the companies concerned.

F) EXISTING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE (FINANCIAL AND NON-FINANCIAL) REPORTING PROCESS OF THE ITALGAS GROUP

In order to ensure the reliability, accuracy, trustworthiness and timeliness of the information disclosed to shareholders and the market, Italgas is committed to promoting and maintaining an adequate Corporate Reporting Internal Control System ("SCIS"), i.e. the process aimed at providing reasonable certainty of the reliability of corporate reporting (financial and non-financial,³¹ including the information contained in the Integrated Annual Report, consisting of the Integrated Directors' Report, the Consolidated Financial Statements and the Annual Financial Statements, as well as all other corporate communications with accounting content) and of the ability of the relevant corporate processes to produce such information in accordance with applicable regulations and generally accepted accounting principles.

Italgas has adopted a body of rules that defines the regulations, methodologies, roles and responsibilities for designing, establishing, maintaining and assessing the effectiveness of the Group's Corporate Reporting Internal Control System which applies to Italgas and its subsidiaries. The SCIS model adopted by Italgas and its subsidiaries with regard to corporate reporting was defined in accordance with the provisions of Article 154-*bis* of the CLF and is based, in methodological terms, on the "CoSo Framework" ("Internal Control - Integrated Framework"), the international reference model for the establishment, updating, analysis and assessment of the internal control system, for which an update was published in May 2013.

The "reasonable assurance" that SCIS seeks to ensure, consists of the existence of a relatively low (remote) risk that significant misrepresentations in Corporate Reporting, caused by unintentional error or fraud, will occur or will not be promptly detected. The effectiveness of the SCIS depends on its ability to reduce the possibility of fraud or significant error occurring or not being promptly detected to a very low level.³²

The design, establishment and maintenance of the SCIS are guaranteed through scoping, identifying and assessing risks and controls (at corporate and process level, through risk assessment and monitoring activities), and the relevant information flows (reporting).

The control system structure provides for entity-level controls (Company Entity Level Controls "CELC") which apply across the entire entity in question (group/individual company), and process-level controls³³.

³¹ In line with the decision to draw up an Integrated Annual Report that includes both financial and non-financial information, in February 2021, Italgas has aligned its internal control system also in respect of non-financial information.

³² Data or information are considered significant if their absence or inaccurate representation may influence the economic and investment decisions of the parties to whom the information is communicated. In this context, both the quantitative and qualitative elements that characterise the data or information and the particular circumstances of their omission or inaccurate representation are relevant.

³³ CELCs divide into: (i) specific controls, aimed at preventing, identifying and correcting errors or irregularities occurring during the performance of operating activities (Process Level Controls); (ii) pervasive controls, aimed at defining a general context that promotes the correct execution and control of operating activities. Pervasive controls include those related to the segregation of duties and IT General Controls.

The controls, both at the entity level and process level, are subject to regular evaluation (monitoring) to verify the adequacy of the design and actual operability over time. To this end, ongoing monitoring activities have been entrusted to the management responsible for significant processes/activities, and separate evaluations have been entrusted to the Internal Audit Manager, who operates in accordance with a plan agreed with the Officer responsible for the preparation of financial reports that aims to define the scope and objectives of their actions via agreed audit procedures.

Italgas has also appointed an independent auditing firm Deloitte & Touche S.p.A. to examine the adequacy of the internal control system in relation to the preparation of financial information used to produce the separate and consolidated financial statements of Italgas, by conducting independent checks on the effectiveness of the design and functionality of the control system.

Within the scope of the SCIS, a significant role was also played by the External Relations and Sustainability Department, which, amongst others, *(i)* receives the results of the independent monitoring carried out by the Internal Audit Department, with reference to the areas defined in the related annual plan; *(ii)* defines and updates, together with the Officer Responsible, the control objectives to be guaranteed; *(iii)* together with the Officer Responsible and Administrative Managers of the companies, examines the results of the assessment and monitoring of the individual components of the SCIS and thereafter prepares the half-yearly and annual reports of the Company and Group; *(iv)* together with the Officer Responsible and the Head of the Internal Audit Department, defines the independent monitoring plan; *(v)* together with the Officer Responsible and the Company's Administrative Managers, receives from the Head of the Department involved in the SCIS process, and reports regarding the existence of events, situations, organisational or business changes that may call for an update of the Risk Assessment; and *(vi)* liaises with the Internal Audit Department and the Officer Responsible to agree on an annual independent monitoring plan and any revisions to such as may be made during the year.

Main information flows relating to the SCIS

The assessments of all controls instituted within Italgas and its Subsidiaries are brought to the attention of the Officer responsible for the preparation of financial reports, who, on the basis of this information, draws up half-year and annual reports on the adequacy and effective application of the SCIS. These are shared with the Chief Executive Officer and communicated to the Board of Directors, the CRRPTC and the Board of Statutory Auditors, when the separate and consolidated financial statements, and the consolidated half-year financial report, are approved, to allow the Board of Directors to perform its supervisory functions and to conduct the assessments that fall to its responsibility with regard to the SCIS (at the approval of the Integrated Annual Report, reporting is extended to the SVCC).

The results of the monitoring activities, the checks made on the controls and any other information or situations relevant to the SCIS are subject to periodic reporting on the state of the control system, which involves all levels of the organisational structure of Italgas and its major subsidiaries, including operational business managers, heads of department, administrative managers and chief executive officers.

G) ITALGAS' REGULATORY SYSTEM

The Italgas Group has adopted its own structured 'Regulatory System' which defines the set of processes, roles, responsibilities and methods for carrying out the activities of each Group company.

The Regulatory System is characterised by a tiered structure, corresponding to different types of regulatory instruments. Each regulatory instrument is applied with reference to the Group processes defined in the Process Map. The elements of the Group's Regulatory System are as follows:

ITALGAS ENTERPRISE SYSTEM (IES)	constitutes the guide and reference for the Group's organisation and operation
POLICIES	contain declarations of intent, define reference principles and identify behaviour that each Group company must adopt, share and promote
QUALITY MANUALS AND PLANS	describe, where necessary, the processes, activities, reference structure, departments involved and the relative responsibilities with which the Certified Management Systems achieve their objective and guide work processes
REGULATIONS	definiscono regole prescrittive trasversali a più processi aziendali in attuazione di disposizioni impartite ad esempio dal Legislatore, dalle autorità indipendenti o da Organismi di Certificazione
REGULATORY CIRCULARS	regulate specific issues, including those which are temporarily applicable

The By-Laws, Code of Ethics, Model 231, the SCIS, the Tax Strategy and the CG Code are within the general reference framework of the Regulatory System, because, as they are specific instruments, the inspiring principles are recognised as the underlying principles of the behaviour of the Italgas Group and, therefore, part of the general reference framework of the entire Regulatory System. Also part of the "Regulatory System" are the Tax Control Framework Compliance Standard, the Antitrust Code, the Anti-Bribery Compliance Standard and the Reporting Compliance Standard adopted by the Company (see Chapter 15 of this Report).

10.2 CHIEF EXECUTIVE OFFICER

On 4 April 2019, the Italgas' Board of Directors identified the Chief Executive Officer as the "Director in charge of the internal control and risk management system", pursuant to the then current Corporate Governance Code. As a result of adherence to the CG Code, as of 1 January 2021 the Chief Executive Officer is responsible for establishing and maintaining an effective ICRMS pursuant to the same; to fulfil such task, the CEO has been assigned the responsibilities specifically identified in this regard by the Guidelines.

Following renewal of the administrative body, at its meeting on 26 April 2022 the Board of Directors confirmed that the Chief Executive Officer would be assigned the functions set out in the Guidelines, indicated below.

Identify the main corporate risks taking into account the characteristics of the activities carried out by the Company and its Subsidiaries and submit them for examination by the Board of Directors at least once a year.

Implement the Guidelines, taking care of the design, implementation and management of the ICRMS and constantly verifying its adequacy and effectiveness, as well as ensuring that it reflects the operating conditions and the legislative and regulatory landscape.

Formulate a proposal to the Board, in agreement with the Chairperson, regarding the appointment and removal of the Head of the Internal Audit department, subject to the favourable opinion of the CRRPTC and after consulting the Board of Statutory Auditors.

Receive, *(i)* along with the Board of Statutory Auditors, the CRRPTC, the Chairperson of the Board, the top management of the audited organisations, the Officer responsible for the preparation of financial reports and, for the aspects under its remit, the SB, the Internal Audit reports stating the results of each audit; *(ii)* along with the bodies stated in (i), the CEOs and the control and supervisory bodies of the companies involved, the audits relating to the Subsidiaries; *(iii)* along with the Board of Statutory Auditors, the CRRPTC and the Chairperson of the Board of Directors, the reports on events of particular significance drawn up by the Head of the Internal Audit department.

Possibility of entrusting the Head of the Internal Audit department to carry out audits of specific operational areas and of compliance with the internal rules and procedures in the performance of corporate operations, giving simultaneous notice of this to the Chairperson of the Board, the Chairperson of the CRRPTC and the Chairperson of the Board of Statutory Auditors.

Be informed, together with the CRRPTC, by the Head of the Internal Audit about requests for Internal Audits not envisaged in the Audit Plan which may jeopardise the hedging and balancing objectives of the main business risks taken into consideration in the audit plan as well as compatibility with the Internal Audit budget.

Report promptly to the CRRPTC on any problems and critical issues that may arise in the performance of his/her duties or of which he/she in any case becomes aware, so that the committee can take all suitable measures.

Propose to the Board, subject to the opinion of the CRRPTC, after consulting the Board of Statutory Auditors, any updates or adjustments to the Guidelines, including those to the Internal Audit Guidelines.

Submit to the Board, in agreement with the Chairperson of the BoD, having consulted the CRRPTC and the Board of Statutory Auditors, the proposal regarding the appointment and dismissal of the SB.

Sign, as required by current legislation, together with the Officer Responsible, the certifications attached to the financial statements/consolidated financial statements/interim financial statements required by law (article 154-*bis*, subsection 5, of the CLF).

Ensure, as the senior management in charge of the Anti-Bribery Management System, that the latter is established, implemented, maintained and reviewed in such a way as to adequately address the risks of corruption, public and private, active and passive.

10.3 THE HEAD OF INTERNAL AUDIT

The Internal Audit Manager is appointed and removed by the Board of Directors, following the favourable opinion of the CRRPTC and having consulted with the Board of Statutory Auditors, on the recommendation of the CEO, in agreement with the Chairperson of the Board of Director. The appointment of the Internal Audit Manager is open-ended. At least once during the term of office determined by the Shareholders' Meeting, the Board of Directors assesses whether the Internal Audit Manager should be confirmed in the role, based inter alia on rotation criteria. The remuneration of the Head of Internal Audit is defined - in line with corporate policies - by the Board of Directors, after consulting the ACC and the CRRPTC, which express their opinion on the proposal formulated by the Human Resources & Organisation department.

The role, duties and responsibilities of the Internal Audit department are defined and formalised by the Italgas' Board of Directors, which on 18 December 2020 approved, in accordance with the new CG Code, the Guidelines in force from 1 January 2021 and most recently updated on 20 February 2024 (see § 10.1 of this Report).

During the Year, the role of Head of the Internal Audit department was occupied by Mr Paolo Bosato (appointed by the Board of Directors on 7 November 2019 with the aforementioned procedures). The Internal Audit Manager is not responsible for any particular operational area, and has direct access to all information that is useful for carrying out his duties. On 20 February 2024, the Board of Directors, after obtaining the favourable opinion of the CRRPTC and consulting the Board of Statutory Auditors, confirmed the Head of Internal Audit in the person of Mr Paolo Bosato.

Internal Audit activities are performed entirely independently according to the instructions of the Board of Directors, based on Italgas Group Internal Audit guidelines, assuring that the necessary conditions of independence and due objectivity, competence and professional diligence are maintained, as laid down in the International Standards for the Professional Practice of Internal Auditing and in the Code of Ethics issued by the Institute of Internal Auditors, and in compliance with the principles laid down in the Italgas Code of Ethics.

As part of the process of approving the audit plan, once a year the Board of Directors approves the

budget required for the Internal Audit department to fulfil its responsibilities³⁴ In the meeting of 18 December 2023, the Board of Directors of Italgas, taking into account the prior favourable opinion of the CRRPTC and the Board of Statutory Auditors, approved the 2024 audit plan of Italgas and its Subsidiaries.

During the Financial year, the audit operations envisaged in the Audit Plan for Italgas and the Italgas Group, approved by the Italgas' Board of Directors on 14 December 2022, were performed.

The table below shows the functions assigned to the Head of Internal Audit pursuant to the Guidelines, with an indication of the related activities performed during the Financial Year.

FUNCTIONS	ACTIVITIES CARRIED OUT
Verify, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the functioning and the suitability of the ICRMS; by means of the Audit Plan approved by the Board of Directors and based on a structured process of analysis and prioritisation of the main risks;	By carrying out the audit interventions envisaged in the Audit Plan
Prepare regular reports containing adequate information on its activity, the methods through which risk management is conducted, as well as the compliance of the plans made for their containment; the regular reports contain an evaluation of the suitability of the ICRMS.	When issuing the Half-yearly reports on Internal Audit Activities
Promptly prepare reports on events of particular relevance, also at the request of the Control Body	Issue of Audit Reports at the request of the Control Body
Send periodic reports as well as reports on events of particular relevance to the Chairpersons of the Board of Statutory Auditors, the CRRPTC and the Board of Directors, as well as the CEO, except for cases where the object of such reports specifically concerns the activities of these subjects.	When issuing the Half-yearly reports on Internal Audit Activities
Verify, in the context of the audit plan, the reliability of the IT systems used, including the accounting systems	At each Audit intervention
Assure the periodic flow of information to the Supervisory Bodies of Italgas and of the subsidiaries concerning the summary assessments of the audit interventions carried out and the implementation status of the corrective actions.	At the issue of each Audit report

³⁴ The Guidelines on Internal Audit activities stipulate that the Head of Internal Audit shall have, within his budget, autonomous spending powers for ascertaining, analysing and assessing the internal control and risk management system and/or related activities, and that in exceptional and urgent situations that require the availability of funds exceeding the budget, he may propose that the Board of Directors approve the extra budget of the Internal Audit department so that it may carry out the duties assigned to it.

FUNCTIONS	ACTIVITIES CARRIED OUT
<p>Inform the CEO, the Chairperson of the Board of Directors, the Chairperson of the CRRPTC, the Chairperson of the SB and the Chairperson of the Board of Statutory Auditors, without delay, of:</p> <ul style="list-style-type: none"> ▪ serious shortcomings in the irregularities and fraudulent acts prevention system or of irregularities or fraudulent acts committed by members of the department or employees who hold an important role in the design or operation of the ICRMS; ▪ all circumstances that may create prejudice to maintenance of the independence conditions of Internal Audit and the Auditing activities. For lack of any such circumstances, the Head of Internal Audit shall confirm, once a year in the half-yearly report as at 31 December, that the period Internal Audit activities have been carried out independently. 	<p>During the Financial Year, no exceptions emerged and the activities of the department were carried out in conditions of independence</p>
<p>Activate other audit interventions not foreseen in the audit plan, based on requests coming from the subjects identified in the Guidelines.</p>	<p>During the Financial year, an Audit intervention was activated at the request of the Control Body</p>
<p>Carry out the activities laid down by Model 231, also in order to ensure the necessary support for the SB.</p>	<p>In all the Audit interventions carried out during the Financial year</p>
<p>Perform the independent monitoring activities laid down in the SCIS and/or similar assignments with reference to internal control models that provide for them and that are approved by the Board..</p>	<p>According to the sessions defined in the Programme approved by the CFO</p>
<p>Acquire from the competent corporate departments and processes data relating to the update of the mapping of company risks in support of the preparation of the proposed Audit Plan.</p>	<p>When preparing the Audit Plan Proposal.</p>
<p>Organise and oversee, in line with the provisions of the relevant corporate procedure, the management of reporting channels, including anonymous reporting, of issues relating to the internal control system, company report, administrative liability of the Company, and irregularities or fraudulent acts. He/She must also keep an up-to-date archive of reports received, assessments and the results of activities undertaken in response to them, ensuring the information flows specified in the company procedure on the matter.</p>	<p>Ongoing management via the Integrity Line IT platform</p>
<p>Perform the preparatory activities necessary to confer the appointment on the independent auditing firm as laid down by applicable legislation and checks maintenance of the conditions of independence of the same during the conferred appointment, reporting to the Board of Statutory Auditors in accordance with the terms and conditions indicated by the relevant company procedure.</p>	<p>When the Independent auditing firm is given new assignments during the Financial year</p>

10.4 INDEPENDENT AUDITING FIRM

The regulatory auditing activity is entrusted under the law to an independent auditing firm registered in a special register appointed by the Shareholders' Meeting on the basis of a justified proposal by the Board of Statutory Auditors.

In compliance with applicable regulations, on 12 May 2020, the Ordinary Shareholders' Meeting, based on a reasoned proposal from the Board of Statutory Auditors, subject to the consensual termination of the assignment for the external auditing of the accounts with PricewaterhouseCoopers S.p.A., awarded by the Shareholders' Meeting on 28 April 2017 for 2017-2025, awarded Deloitte & Touche S.p.A. the assignment to carry out the statutory audit for 2020-2028, establishing their fees.

On 04 May 2023, the Chairperson of the Board of Statutory Auditors reported to the Board of Directors on the Report issued, pursuant to Article 11 of Regulation (EU) 537/2014, by the auditing firm Deloitte&Touche S.p.A., previously sent to the Directors by the Board of Statutory Auditors.

10.5 OFFICER RESPONSIBLE FOR THE PREPARATION OF FINANCIAL REPORTS

The Board of Directors appoints the Officer responsible for the preparation of financial reports, on the recommendation of the CEO, in agreement with the Chairperson, following the favourable opinion of the Board of Statutory Auditors.

The Officer responsible for the preparation of financial reports may not be a member of the administrative or control bodies, or hold senior management positions, at Eni S.p.A. and its Subsidiaries, nor may they have any direct or indirect professional or financial relationship with said companies. Further subjective requirements are set out for the office of Officer responsible for the preparation of financial reports in Article 16.4 of the By-Laws.

The Board of Directors must ensure that the Officer responsible for the preparation of financial reports has the necessary powers and means to perform their duties and that they comply with administrative and accounting procedures.

The Officer responsible heads a dedicated structure that reports directly to him (the ERM&SCIS department), which, together with the risk management and internal control system in relation to the corporate disclosure process, governed by the Compliance Standard "Corporate Reporting Internal Control System", represent the tools necessary and useful for directing, managing and verifying the accuracy and reliability of the Corporate Reports communicated externally, contained in the Integrated Annual Report.

Pursuant to the Guidelines, the Officer Responsible is required to perform the following functions.

Prepare adequate administrative and accounting procedures for drawing up financial statements.
Monitor the application of procedures.
Issue a statement to the market on the adequacy and effective application of the administrative and accounting procedures for the purposes of the Group's financial reporting.
Receive (i) along with the Board of Statutory Auditors, the CRRPTC, the top management of the departments subject to audit, the Chairperson of the Board and, for aspects under its purview, the SB, the Internal Audit reports setting out the results of each audit, as well as (ii) along with the bodies stated in (i), the CEOs and control and supervisory bodies of the companies concerned, the audits pertaining to the Subsidiaries.
In consultation with the CEO, give instructions also to the Subsidiaries so that they adopt all the measures, administrative and accounting procedures and any other actions and measures for the correct preparation of the consolidated financial statements, as well as any measures communicated by the same Officer Responsible pursuant to and for the effects of Law 262/2005 and art. 154-bis of the CLF, ensuring the utmost reliability of the information flows to the Officer Responsible relating to the preparation of financial reports.

Moreover, in accordance with the CG Code, the Officer responsible is consulted by the CRRPTC, together with the independent auditing firm and the Board of Statutory Auditors, for the purposes of the CRRPTC's evaluation of the accounting principles and their consistency for the purpose of drawing up the consolidated financial statements.

On 4 May 2023, the Board of Directors of Italgas, at the proposal of the CEO in agreement with the Chairperson and having received the favourable opinion of the Board of Statutory Auditors, appointed Gianfranco Maria Amoroso, who already held the position of Chief Financial Officer, as Officer Responsible.

The Board of Directors has verified, on the basis of the declarations made by the interested party, that there are no causes of incompatibility and that the Officer responsible meets the integrity requirements at the time of his appointment on 4 May 2023 and, most recently, on 12 March 2024.

10.6 OTHER CORPORATE ROLES AND FUNCTIONS

In addition to the bodies and departments described above, the following organisational structures, all of which are endowed with the professionalism and resources required to ensure their effectiveness and impartial judgement, perform specific tasks relating to internal control and risk management within the ICRMS.

GENERAL COUNSEL - MS GERMANA MENTIL

Within the ICRMS, the General Counsel is appointed to perform the tasks listed below.

- Oversee the adaptation of the system and of the governance rules to legislative and regulatory provisions, to self-assessments codes and to best practices.
 - Oversee the operation of corporate bodies, agencies and committees, the corporate secretarial activities and the conferral/revoking of powers.
 - Supervise the adaptation and compliance of corporate standards and principles with the regulations and provisions in force, ensure the connection, coordination and control of Compliance activities and prepare a half-yearly Integrated Compliance Report so as to provide a report to the Board of Directors, the Control Bodies (CRRPTC and Board of Statutory Auditors) and the Supervisory Body.
 - Oversee the identification, monitoring and analysis of the legislative and regulatory provisions of interest to the Italgas Group, as well as national case-law.
 - Oversee the definition of the criteria and instruments for recourse to external advice on legal, corporate and compliance issues and the valuation of the contributions provided, conferring the appointments.
 - Establish, within the same department, antitrust monitoring with the role of receiving notifications concerning the interpretation and application of the Group's Antitrust Code (this document defines conduct guidelines regarding the compliance of Italgas and the Subsidiaries with the principles dictated by the applicable regulations on antitrust issues), as well as the reports about potential antitrust risk situations.
 - Oversee, with the aid of the compliance department to prevent and fight corruption established within it, the corruption prevention activities, ensuring the adequacy and compliance over time with anti-corruption regulations, and promote the execution of the duties and obligations laid down by the aforementioned law, ensuring the adequacy of the solutions identified.
-

CHIEF FINANCIAL OFFICER - MR GIANFRANCO MARIA AMOROSO

Within the ICRMS, the Chief Financial Officer Department is appointed to carry out the following tasks (see also § 10.2 of this Report).

- Promote and support the growth of the Group contributing to the definition and development of corporate strategy, ensuring the necessary support for reaching company targets.

- Oversee the activities of the M&A area, by participating in business development projects, in collaboration with other company departments, and providing proposals and support to evaluate the development options in the portfolio.

- Oversee activities in the Enterprise Risk Management area, defining and updating the Group model and ensuring the correct consolidation, measuring and monitoring of the Group's risks.

- Supervise the activities of the Investor Relations area, monitoring the composition of the Group's shareholder base, identifying the relative characteristics, organising communication initiatives, in collaboration with the External Relations and Sustainability Department, useful for consolidating existing relations, in order to enhance the corporate image and the appreciation of the securities, in compliance with Group policies and objectives.

- Supervise the dissemination of the financial and strategic information necessary for drafting the securities valuation reports, organising periodic national and international road shows, in collaboration with the External Relations and Sustainability Department, for the presentation of company results, monitoring the expectations of the financial markets.

- Oversee activities in the Administration, Finance and Control area, guaranteeing the budgeting process, planning and control, general accounting, draft and consolidated financial statements, guaranteeing the mandatory communications for listed companies, to Borsa Italiana and Consob, in compliance with the civil and fiscal regulations in force and ensuring the optimum level of debt and composition (type, rate and duration) of financial resources, analysing and planning medium-/long-term interventions that are consistent with the development of the financial and business scenario.

HEALTH, SAFETY, ENVIRONMENT ('HSE') DEPARTMENT - MS MARA MIGLIACCIO

Established within the Human Resources & Organisation, as part of the ICRMS, the HSEQ Department is in charge of ensuring the preparation, updating and application of the Group HSEQ integrated management system, guaranteeing the definition and implementation of quality certification programmes and promoting awareness raising and training initiatives, disseminating the culture of workplace safety, in collaboration with Human Resources & Organization, at all levels of the Company and at suppliers.

INSTITUTIONAL RELATIONS AND REGULATORY AFFAIRS DEPARTMENT - MR NUNZIANGELO FERRULLI

Within the ICRMS, the Institutional Relations and Regulatory Affairs Department is appointed to carry out the following tasks.

- Ensure monitoring of the regulatory matters of the Group and the necessary relations with the Offices of the Regulatory Authority for Energy Networks and the Environment (ARERA).
 - Ensure monitoring of the evolution of the legislative and regulatory framework and, in collaboration with the company departments concerned, prepares proposals aimed at promoting the development of the regulatory framework of the relative regulated services and proposals for tariffs, codes, service quality, etc.
-

ENTERPRISE RISK MANAGEMENT & CORPORATE REPORTING CONTROL SYSTEM ("ERM&SCIS") DEPARTMENT - MR LUCA TRIPPA

Established within the Chief Financial Officer Department, in the ICRMS framework, the ERM&SCIS Department is appointed to carry out the following tasks (see also § 10.1, letter d) of this Report)

With reference to the Enterprise Risk Management system:

- Ensure that the Group's Enterprise Risk Management (ERM) model is defined and updated, and the Group's ERM risk mapping process coordinated, providing specialised methodological support to all departments in the identification and assessment of risks related to business processes, providing for the correct consolidation and prioritisation of risks at Group level, risk monitoring and control activities, updating and managing the related information flows.
 - Ensure risk/opportunity analyses are drawn up within the framework of the Strategic Plan as well as connected with M&A operations and guarantee, in agreement with the competent company departments, consolidation of the risk management strategies identified.
-

With reference to the Corporate Reporting Internal Control System:

- Ensure that standards and methodologies are drawn up related to the establishment and maintenance of the SCIS and the management of the risk assessment process related to corporate reporting and the implementation of controls.
 - Guarantee support in relations and information flows with the Internal Audit department and the Independent auditing firm and to the Officer Responsible, in drawing up corporate accounting documents and the activities for defining the scope of the SCIS.
 - Manage information flows, control assessments, statements and reports on the state of the Corporate Reporting Internal Control System and provides methodological and operational support to the departments involved in implementing it.
 - Perform activities related to the examination and assessment of the Corporate Reporting Internal Control System, as well as draw up reports on assessment results and preparing information on the System for the Officer responsible for the preparation of financial reports and the control bodies.
-

TAX RISK MANAGEMENT DEPARTMENT

In order to ensure adequate control of the tax variable Italgas Group has adopted an internal control system of tax-related risks (the so-called Tax Control Framework), which incorporates the Guidelines into its own model and related Compliance Standard. In line with this objective and for the purposes of carrying out the activities inherent to the Tax Control Framework and the Collaborative Compliance Regime pursuant to Legislative Decree No. 128 of 5 August 2015, for the aspects falling within its remit, the Tax Risk Management Department was established within the Chief Financial Officer Department, reporting hierarchically and functionally to the Tax Department (Head Ms Mariassunta Pica), entrusted with performing, inter alia, the tasks indicated below.

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- Update and maintain over time, with input from line management, the Tax Control Framework by periodically performing tax risk assessment.
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- Carry out monitoring activities at least annually, aimed at ascertaining the actual adequacy and functioning of the tax control framework.
-
- Draw up the Annual Report to be submitted to the Board of Directors, after submission to the CRRPTC and presentation to the Board of Statutory Auditors, to be sent to the Revenue Agency.
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11

INTERESTS OF DIRECTORS AND RELATED-PARTY TRANSACTIONS

11.1 Italgas RPT Procedure

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11.2 Committee responsible for issuing the reasoned opinion

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11.1 ITALGAS RPT PROCEDURE

Since 18 October 2016, the Company adopted a procedure which establishes the principles and rules which Italgas and its Subsidiaries should adhere to in order to ensure the transparency and essential and procedural correctness of transactions conducted by Italgas Group companies with related parties or "parties of interest" (the "**Italgas RPT Procedure**").

The Italgas RPT Procedure was most recently updated by the Italgas' Board of Directors on 14 June 2021, following the approval of the CRRPTC, which met on 9 June 2021.

The Italgas RPT Procedure - in force, as updated, since 1 July 2021 - followed the amendments introduced to the Consob Related Parties Regulation in implementation of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (so-called SHRD II), which required an adaptation of the Italgas RPT Procedure to make it compliant with the new regulatory provisions.

The full text of the Italgas RPT Procedure can be consulted on the Company website: <https://www.italgas.it/wp-content/uploads/sites/2/2021/10/Compliance-Standard-Transactions-with-Related-Parties.pdf>, to which reference should be made for detailed regulations.

Considering that transactions with related parties are important for the Group in relation to two different aspects - management procedures and corporate reporting - Italgas' RPT Procedure has been adopted: *(i)* in order to take into account the regulations introduced by the Consob Related Parties Regulation, as in force at the date of this Report; *(ii)* in compliance with the provisions and recommendations of the Italgas Group CG Code and Code of Ethics; *(iii)* in compliance with the Unbundling Regulation, taking account of the specific nature of the activities carried out by the Italgas Group, subject to supervision by the Regulatory Authority for Energy, Networks and the Environment (in accordance with Law no. 481 of 1995 and Legislative Decree No. 164 of 2000); *(iv)* in coordination with the administrative and accounting procedures set forth in Article 154-bis of the CLF.

The Company applies Italgas' RPT Procedure to related party transactions entered into by Italgas, either directly or through subsidiaries, and takes into account Consob Communication no. DEM/10078683, published on 24 September 2010, containing "Indications and guidelines for the application of the Regulation on related party transactions adopted by resolution no. 17221 of 12 March 2010 as subsequently amended".

The Italgas Related-Party Transactions Procedure involves a differentiated arrangement governing related parties, distinguishing between "transactions of negligible value", "transactions of greater importance" and "transactions of lesser importance". This classification is determined on the basis of materiality thresholds that are defined in the annexes to the RPT Procedure available on the Company website, to which reference should be made.

Please note that the main transactions with related parties carried out by the Company are reported in a specific note ("Related Party Transactions") in the Financial Statements for the year and Consolidated Financial Statements contained in the Integrated Annual Report 2023 available on the Company website: <https://www.italgas.it/en/sustainability/reporting-hub/>.

11.2 COMMITTEE RESPONSIBLE FOR ISSUING THE REASONED OPINION

The Committee responsible for issuing the reasoned opinion is usually identified as the Control, Risk and Related Party Transactions Committee (see § 8 of this Report). However, in the case of transactions involving the remuneration of Directors, Statutory Auditors, general managers and other executives with strategic responsibilities, this Board Committee is the ACC (see § 7.4 of this Report), in which case the CRRPTC remains in charge of verifying compliance of the transaction approval process with Italgas' RPT Procedure.

The Committee shall be composed of: *(i)* in the case of a Minor Transaction, by unrelated and uninvolved directors, the majority of whom shall be independent; *(ii)* in the case of a Major Transaction, entirely by unrelated and uninvolved independent directors. The Italgas Related Parties Procedure provides for a mechanism of integration and replacement of the members of the relevant Committee if the composition requirements specified above are not met in relation to a given related party transaction.

The Committee may be assisted, at the Company's expense, by one or more independent experts of its choice, subject to verification of their independence. This review is conducted by the Committee, taking into account the economic and financial relations between the independent expert and: *(i)* the related party counterparty of the transaction, the companies it controls, the subjects that control it and the companies subject to joint control; *(ii)* Italgas, the subjects that control Italgas, the companies controlled by Italgas or subject to joint control with the latter, *(iii)* the Directors of the companies referred to under the previous points *(i)* and *(ii)*.

The CRRPTC did not issue any opinions on Related Party Transactions of Lesser or Greater Importance during the financial year.

A) INFORMATION NOTICE TO THE CONTROL, RISK AND RELATED PARTY TRANSACTIONS COMMITTEE AND UPDATE OF THE RPT PROCEDURE

Pursuant to the RPT Procedure, the CRRPTC receives from the Corporate Affairs Department, at least annually and with reference to Transactions of Greater Importance, information on the application of the cases of exemption set forth in the RPT Procedure. On 15 February 2024, the CRRPTC, in a joint meeting with the Board of Statutory Auditors, examined the report for the financial year.

Lastly, pursuant to the RPT Procedure, the CRRPTC assesses on an annual basis the adequacy of the procedure taking into account, inter alia, any changes that have been made to the ownership structures, as well as the efficacy demonstrated by the procedures in their application, including with regard to the congruence of the materiality thresholds of the RPTs and the result of the assessment. The Committee submits any revisions it deems necessary to the Board of Directors.

The Committee, at the same meeting on 15 February 2024, deemed the RPT Procedure to be adequate, given that no changes had occurred in the ownership structure and that the RPT Procedure had proven effective in practice, also with reference to the appropriateness of the materiality thresholds of the RPTs, and therefore did not make any proposals to the Board of Directors to update it.

B) TRANSACTIONS INVOLVING THE INTERESTS OF THE DIRECTORS AND STATUTORY AUDITORS

Also in compliance with Article 2391 of the Italian Civil Code, the Italgas Related-Party Transactions Procedure includes a specific framework applicable to transactions in which a Director or a Statutory Auditor has a personal interest or an interest on behalf of others, and transactions to be conducted with “parties of interest”, defined as parties, other than related parties, such as Directors and Statutory Auditors, in relation to whom there may directly or indirectly be an interest, including a potential one, in relation to the activity carried out by Italgas and its Subsidiaries or in connection with certain transactions.

Under this scope the Italgas Related-Parties Transactions Procedure Directors and Statutory Auditors are required to declare potential interests that they have in relation to the Italgas Group at least annually, and when changes in said interests occur; they also inform the Chief Executive Officer (or the Chairperson, in the case of the Chief Executive Officer’s interests), who in turn informs the other Directors and the Board of Statutory Auditors, of individual transactions that the Italgas Group intends to carry out and in which they have an interest.

12

BOARD OF STATUTORY AUDITORS

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12.1 ROLE OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors, in accordance with Article 149 of the CLF, monitors: a) compliance with the law and founding documents; b) compliance with the principles of correct administration; c) adequacy of the company's organisational structure for the aspects within its remit, the internal control system and the administrative-accounting system as well as the reliability of the latter in correctly representing operational events; c bis) procedures for the practical implementation of the rules of corporate governance envisaged in codes of conduct drawn up by companies managing regulated markets or by trade associations, which the company, through public disclosure, declares its compliance with, d) adequacy of the instructions given by the company to subsidiaries pursuant to Article 114, subsection 2 of the said CLF.

In addition, Italgas' Board of Statutory Auditors performs supervisory functions as an "internal control and audit committee" pursuant to Legislative Decree no. 39/2010, as subsequently amended, and, in particular, the following supervisory functions: a) informing the management body of the entity under audit of the outcome of the independent audit and sending said body the additional report set forth in Article 11 of Regulation no. 537/2014, accompanied by any observations; b) monitoring the financial disclosure process and presenting recommendations or proposals that seek to guarantee its integrity; c) checking the effectiveness of the Company's internal quality control and risk management systems and, if applicable, of internal auditing, with regard to the financial disclosures of the entity under audit, without infringing upon its independence; d) monitoring the independent auditing of the annual financial statements and of the consolidated financial statements, also taking into account any results and conclusions of quality controls made by Consob pursuant to Article 26, subsection 6, of Regulation no. 537/2014, where available; e) verifying and monitoring the independence of the independent auditors of the independent auditing company, pursuant to Articles 10, 10-bis, 10-ter, 10-quater and 17 of Legislative Decree no. 39/2010 and of Article 6 of Regulation no. 537/2014, in particular as regards the adequacy of the services provided other than the auditing of the entity under audit, in compliance with Article 5 of said regulation; f) being responsible for the procedure to select independent auditors or independent auditing companies and recommending the independent auditors or independent auditing firms to appoint pursuant to Article 16 del Regulation no. 537/2014.

12.2 APPOINTMENT AND REPLACEMENT

A summary of the provisions of the Bylaws concerning the appointment and replacement of the Company's Statutory Auditors contained in Article 20 of the Bylaws, available on the Company website, to which reference should be made for further details, is provided below.

SCOPE	SUMMARY OF THE PROVISIONS OF THE BYLAWS ARTICLE 20
COMPOSITION	3 (three) Standing Auditors and 2 (two) Alternate Auditors appointed by the Shareholders' Meeting, which also decides on remuneration in compliance with the pro-tempore regulations in force including gender equality.
TERM OF OFFICE	The Statutory Auditors remain in office for three fiscal years, their term in office shall expire on the date of the Shareholders' Meeting convened to approve the financial statements relating to the third fiscal year in office (Article 2400 of the Civil Code). Outgoing Statutory Auditors can be re-elected.
REQUIREMENTS	<p>Statutory Auditors shall be chosen from those in possession of the requisites of integrity and professionalism laid down by applicable legislation, in particular by Decree no. 162 of 30 March 2000 of the Ministry of Justice.³⁵</p> <p>The Statutory Auditors of Italgas may not hold any office in the administrative or control body, and is not a senior manager at Eni S.p.A. or its subsidiaries, nor does she have any relationship, direct or indirect, of a professional or patrimonial nature, with said companies.³⁶</p> <p>The limits on the number of offices that Statutory Auditors can hold as members of the administrative and control bodies of other companies, are established by Consob in its own regulations (i.e. Issuers' Regulations).</p>
METHOD OF APPOINTMENT	Vote from slates.
ELIGIBILITY TO SUBMIT SLATES	Each shareholder can submit or participate in the submission of and vote a single slate in accordance with the terms set forth in the aforementioned legislative and regulatory provisions. Only shareholders who alone or together with other shareholders represent 2% or are the owners overall of another percentage of shares stipulated by Consob regulations shall be entitled to submit slates. ³⁷

³⁵ For the purposes of the aforementioned Decree: (i) issues closely related to the activities of the Company are commercial law, business administration and corporate finance; (ii) the sector closely related to the activities of the Company is the engineering and geology sector.

³⁶ See Article 13.3 of the Bylaws and the Prime Ministerial Decree of 25 May 2012 concerning "Criteria, terms and conditions for the adoption by Snam S.p.A. of the ownership unbundling model pursuant to Article 15 of Law no. 27 of 24 March 2012".

³⁷ Consob - through its Managerial Resolution of the Manager of the Corporate Governance Division no. 92 of 31 January 2024 - decided, pursuant to Article 147-ter, paragraph 1 and Article 148, paragraph 2 of the CLF and Article 144-septies, paragraph 1, of the Issuers' Regulation, that the minimum level of investment required for the presentation of slates of candidates for the election of Italgas management and control bodies was 1%.

SCOPE	SUMMARY OF THE PROVISIONS OF THE BYLAWS ARTICLE 20
FORMATION OF SLATES	<p>The Board of Statutory Auditors is appointed by the Shareholders' Meeting, on the basis of slates submitted by the shareholders, on which candidates shall be listed by means of a progressive number and in a number that shall not exceed the number of members of the body to be elected.</p> <p>The slates are divided into two sections: one for candidates for the office of Standing Auditor and the other for candidates for the office of Alternate Auditor. At least the first candidate in each section must be enrolled in the register of external auditors and have worked on legal audits for a period of not less than three years.</p> <p>The slates that, considering both sections, contain a number of candidates equal to or greater than three and compete for appointment to the majority of the members of the Board of Statutory Auditors, must include, in the Standing Auditor section, candidates of different gender, in accordance with the provisions set forth in the call notice for the Shareholders' Meeting, in order to comply with current regulations concerning gender balance.³⁸ If the Alternate Auditor section of the aforementioned slates lists two candidates, they must belong to different genders.</p>
TERM FOR SUBMISSION OF SLATES	<p>Slates are filed at the registered office by the twenty-fifth day prior to the date of the Shareholders' Meeting called to decide on the appointment of the members of the Board of Statutory Auditors and made available to the public by the methods provided for by law and by Consob regulations (<i>i.e.</i> the Issuers' Regulations), at least twenty-one days prior to the date of the Shareholders' Meeting.</p>
ELECTION METHOD	<p>Two Standing Auditors and an Alternate Auditor will be selected from the slate that receives the majority of votes. The other Standing Auditor and the other Alternate Auditor shall be drawn from the other slates that are not connected in any way, even indirectly, with the shareholders who submitted or voted for the slate that came first in terms of number of votes (the "Minority Slates"), applying the same procedure indicated in the "election methods" of the Board of Directors referred to in § 4.2 of this Report, to which reference should be made.</p>
CHAIRPERSON	<p>The Shareholders' Meeting shall appoint as Chairperson of the Board of Statutory Auditors the Standing Auditor elected from the Minority Slates.</p>
REPLACEMENT OF STATUTORY AUDITORS	<p>In the case of replacement of a Statutory Auditor selected from the slate that obtained the majority of votes, the office will be held by the Alternate Auditor from the same slate; in the case of replacement of a Statutory Auditor selected from other slates, the office will be held by the Alternate Auditor selected from such slates. If the replacement does not allow compliance with the regulations on gender balance, the Shareholders' Meeting must be convened in a timely fashion to ensure compliance with the aforementioned regulations.</p>

³⁸ In this regard please refer to § 4.2, note 19 of this Report.

12.3 COMPOSITION AND CURRICULA VITAE

A) COMPOSITION

The Ordinary Shareholders' Meeting held on 26 April 2022 appointed the Board of Statutory Auditors in office during the Financial Year and at the date of this Report for a term of three financial years and, therefore, until the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2024. The appointment took place based on the slates (shown in the following tables) submitted by the Shareholders CDP Reti and Inarcassa - Cassa Nazionale di Previdenza e Assistenza per Ingegneri e Architetti Liberi Professionisti ("Inarcassa"), as well as the nomination proposal submitted by the Shareholder Inarcassa pursuant to Article 126-bis, subsection 1, penultimate sentence of the CLF, following the unavailability of the Alternate Auditor previously indicated in the slate filed by Inarcassa.

SHAREHOLDER SUBMITTING THE SLATE	TOTAL EQUITY INVESTMENT HELD (% OF ORDINARY CAPITAL) ON THE DATE OF SUBMISSION OF THE SLATE	CANDIDATE LIST	% VOTE (ON CAPITAL REPRESENTED AT THE SHAREHOLDERS' MEETING/VOTING CAPITAL)
CDP Reti S.p.A. (M)	26.009%	STANDING AUDITORS <ul style="list-style-type: none"> Paola Maria Maiorana* Maurizio Di Marcotullio* ALTERNATE AUDITORS <ul style="list-style-type: none"> Stefano Fiorini* 	59.43%
Inarcassa - Cassa Nazionale di Previdenza e Assistenza per Ingegneri e Architetti Liberi Professionisti (m)	1.3745%	STANDING AUDITORS <ul style="list-style-type: none"> Giulia Pusterla* ALTERNATE AUDITORS <ul style="list-style-type: none"> Simone Montanari 	40.31%

SHAREHOLDER SUBMITTING THE PROPOSAL PURSUANT TO ARTICLE 126- BIS, SUBSECTION 1, PENULTIMATE SENTENCE OF THE CLF	TOTAL EQUITY INVESTMENT HELD (% OF ORDINARY CAPITAL) ON THE DATE OF SUBMISSION OF THE SLATE	CANDIDATE PROPOSED	% VOTE (ON CAPITAL REPRESENTED AT THE SHAREHOLDERS' MEETING/VOTING CAPITAL)
Inarcassa - Cassa Nazionale di Previdenza e Assistenza per Ingegneri e Architetti Liberi Professionisti (m)	1.3745%	ALTERNATE AUDITOR <ul style="list-style-type: none"> Barbara Cavalieri* 	99.37%

*Candidates elected in light of the provisions of Article 20 of the Company Bylaws (see § 12.1 of this Report).

As mentioned above, having learned that the candidate Simone Montanari, a candidate in the slate submitted by Inarcassa, is unavailable to take on the position of Alternate Auditor of Italgas, Inarcassa proposed – pursuant to Article 126-bis, subsection 1, penultimate sentence of the CLF – to resolve to appoint Barbara Cavalieri to the position of Alternate Auditor of Italgas. The proposal was approved by majority vote as detailed above.

The Board of Statutory Auditors in office during the Financial year and at the date of this Report consists of three Standing Auditors and two Alternate Auditors.

The table below shows the Statutory Auditors in office during the Financial year and at the date of this Report, as well as the Alternate Auditors appointed by the Shareholders' Meeting, indicating for each of them the office held, whether they met the independence requirements pursuant to the provisions of the CLF and CG Code at the end of the Financial year, their gender and the slate they were drawn from when appointed, in addition to whether the current term of office is their first appointment.

BOARD OF STATUTORY AUDITORS IN OFFICE AS AT 31 DECEMBER 2023 AND AT THE DATE OF THIS REPORT

STATUTORY AUDITORS	OFFICE	INDEPENDENCE		SLATE (1/2)	GENDER	FIRST APPOINTMENT
		CLF	CG CODE			
Giulia Pusterla	Presidente	▪	▪	2	F	▪
Maurizio Di Marcotullio	Standing Auditor	▪	▪	1	M	
Paola Maria Maiorana	Standing Auditor	▪	▪	1	F	▪
Stefano Fiorini	Alternate Auditor	▪	▪	1	M	
Barbara Cavalieri	Alternate Auditor	▪	▪	*	F	▪

F = Female gender

M = Male gender

1 = Slate presented by the Shareholder CDP Reti S.p.A.

2 = Slate submitted by the Shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti).

* Appointed by majority vote on a proposal submitted by Inarcassa pursuant to Art. 126-bis, subsection 1, penultimate sentence of the CLF.

Each of the members of the Board of Statutory Auditors has been certified at the time of appointment as being in possession of the requirements of independence required by the CLF (Article 148, subsection 3, of the CLF) and by the CG Code (in particular, Art. 2, Recommendations 7 and 9 of the CG Code), there being no grounds for ineligibility, incompatibility or forfeiture, as well as the existence of the requirements of professionalism and integrity and compliance with the limit on the number of offices that can be held pursuant to the applicable regulations and the By-Laws. One Standing Auditor and one Alternate Auditor belong to the least represented gender (male) and two Standing Auditors, including the Chairperson, and one Alternate Auditor belong to the most represented gender (female), in compliance with current legislation on gender balance.

At the first opportunity after its appointment, i.e. on 26 April 2022, the Board of Statutory Auditors verified and confirmed the possession of the requirements of independence laid down pursuant to the CLF and the CG Code and the requirements of professionalism and integrity of its members and notified the Board of Directors of the Company of the outcome. Disclosure to the market was made on the same day according to the checks carried out. At the time of appointment, the Chairperson of the Board of Statutory Auditors and the other standing auditors confirmed that they can dedicate the necessary time to carrying out their tasks diligently pursuant to the CG Code.

Most recently on 7 March 2024, the Board of Statutory Auditors confirmed the absence of situations of ineligibility, incompatibility and forfeiture involving its members and checked whether its members still met the requisites of professionalism and integrity and compliance with the limitation on the accumulation of offices pursuant to applicable legislation and the Bylaws. On the same date, the Board of Statutory Auditors verified that its members continued to meet the independence requirements pursuant to Article 148, subsection 3, of the CLF and the CG Code, also taking into account the Independence Criteria (see § 4.7 of this Report).

On 12 March 2024, the Board of Directors took note of the audit carried out by the Board of Auditors on its members.

It should be noted that, in making the above assessments, all available information was considered, evaluating all the circumstances that appear to compromise independence identified by the CLF and the CG Code, and applying (among other criteria) all the criteria set out in the Code with reference to the independence of directors.

The remuneration of Statutory Auditors is resolved by the Shareholders' Meeting and is proportional to the commitment required of the same, to the importance of the office held as well as the size of the Company and the sector it operates in. In fact, it provides for a fixed annual remuneration, determined on the basis of market benchmarks conducted with reference to a peer group of Italian companies comparable with Italgas on the basis of size and business criteria, there being a differentiation in the remuneration of the Chairperson compared to the Standing Auditors, in relation to the role, assigned to the former, of coordinating the work and liaising with the Corporate Bodies and Departments. In view of the nature of the position, there are no short-term or long-term variable incentive components, nor agreements on end-of-mandate settlement and compensation. For an illustration of the remuneration policy of the Statutory Auditors, please refer to the Report on the remuneration policy and compensation paid, available on the Company website.

B) DIVERSITY POLICY OF THE BOARD OF STATUTORY AUDITORS

The Diversity of Corporate Bodies Policy adopted by the Issuer also contains provisions on diversity in the composition of the Board of Statutory Auditors (see § 4.3, letter f) of this Report and § 3.2 of the Policy available on the Company website <https://www.italgas.it/en/governance/board-of-directors/> to which reference should be made.

In the light of the provisions of the above policy, the composition of the Board of Statutory Auditors is adequate to ensure the independence and professionalism of its department.

C) SELF-ASSESSMENT

The Board of Statutory Auditors, with the support of the external consultant Egon Zehnder S.p.A, also carried out its self-assessment for the Financial year. This activity was carried out on the basis of the provisions of the Rules of Conduct of the Board of Statutory Auditors of Listed Companies updated in December 2023. At its meeting of 7 March 2024, the Board of Statutory Auditors completed the above-mentioned self-assessment. The summary of the results of the self-assessment was presented by the Chairperson of the Board of Statutory Auditors to the Board of Directors of the Company at its meeting on 12 March 2024.

D) CURRICULA VITAE

For a summary of the curriculum vitae of each member of the Board of Statutory Auditors in office in the Financial year, please refer to Annex 5 of this Report.

NOME	CARICA
Giulia Pusterla	Chairperson of the Board of Statutory Auditors
Maurizio Di Marcotullio	Standing Auditor
Paola Maria Maiorana	Standing Auditor

12.4 FUNCTIONING

During the Financial Year, the Board of Statutory Auditors met 18 times; the average length of the meetings was 2 hours and 12 minutes.

The table in Annex 1 to this Report lists the attendance of each Auditor at the Board of Statutory Auditors' meetings during the Financial Year.

For further details on the activities performed during the Financial Year by the Board of Statutory Auditors, refer to the report on supervisory activities of the Board of Statutory Auditors, drawn up pursuant to Article 153 of the CLF which will be made available, within the terms of the law, on the Company's website: <https://www.italgas.it/en/investors/financial-statements-presentations/>.

For the current financial year up to the date of the Shareholders' Meeting, 16 meetings have been scheduled, of which 6 have already been held at the date of this Report.

A) INTERESTS OF STATUTORY AUDITORS

The Italgas Related-Party Transactions Procedure includes specific reporting obligations with regard to any interests, a personal interest or an interest on behalf of others, of Auditors in relation to Company transactions (see § 11.2 of this Report).

B) COORDINATION WITH THE CONTROL, RISK AND RELATED PARTY TRANSACTIONS COMMITTEE AND THE INTERNAL AUDIT DEPARTMENT

The Board of Statutory Auditors and the CRRPTC exchange relevant information for carrying out their respective functions and meet at least quarterly in order to evaluate the results. In order to optimise the collaboration, during the Financial Year, the Board of Statutory Auditors took part in the work of the CRRPTC.

At least every three months, the Board of Statutory Auditors and the CRRPTC shall receive and collect from the control departments (Internal Audit, Risk Management, Compliance) and the independent auditing firm, relevant information on the controls carried out and on any weaknesses or critical points or anomalies encountered.

During the Financial Year, the Board of Statutory Auditors met with the Internal Audit department and examined the "Guidelines on Internal Audit activities", the role, activities, methodologies and information flows of the function, as well as the 2024 draft audit plan for the Italgas Group.

During the Financial Year, the Board of Statutory Auditors met jointly with the CRRPTC 7 times, on 16 January, 3 February, 3 March, 21 April, 20 July, 17 October and 4 December 2023 (see § 9.2 of this Report).

The Internal Audit department attended 7 meetings of the Board of Statutory Auditors, on 16 January, 3 February, 3 March, 21 April, 20 July, 17 October and 4 December 2023.

C) INDUCTION PROGRAMME

During the Financial Year, the members of the Board of Statutory Auditors were able to participate in the induction activities illustrated in § 4.3, lett. e) of this Report.



An active engagement policy with regard to investors is considered by Italgas to be a strategic element capable of creating value over time in terms of satisfying its shareholders, understanding their expectations regarding corporate governance and strategy, and mutual enhancement of knowledge.

Italgas adopts a disclosure policy aimed at guaranteeing constant dialogue with the entire financial community; the Company's goal is to establish a relationship of trust with shareholders, investors, analysts and all financial market operators, and to provide them with regular, complete and prompt information to ensure an excellent understanding of the Italgas Group's performance and strategy.

Starting from March 2020, the role of Investor Relator has been taken on by Ms Anna Maria Scaglia.

The Company has reserved specific sections on its website (www.italgas.it) of interest to shareholders and investors ("Governance", "Investors", "Sustainability" and "Media") in which information concerning the Issuer is made available, so that shareholders can exercise their rights in an informed manner. This includes, among other things, information on the Company's corporate governance, economic-financial information (e.g., financial statements and reports, presentations to the financial community, trading performance of the Company's shares) and non-financial information (e.g., performance of key sustainability indicators) as well as press releases and the Company's financial calendar.

In order to further promote an open, constant dialogue with all its shareholders and in compliance with the recommendations of the new Code of CG (art.1 Recommendation 3), at the meeting on 18 December 2020, the Board adopted, on the proposal of the Chairperson made in agreement with the Chief Executive Officer, the **"Policy for the management of dialogue with all Shareholders"** (the **"Policy for the management of dialogue with all Shareholders"**), which, also taking into account the engagement policies adopted by the main institutional investors and the Italgas asset managers, sets out the general principles, the management procedures and the main contents of the dialogue between Italgas and its Shareholders.

The main provisions of the Policy for the management of dialogue with all Shareholders adopted by the Company are summarised below, with an indication of the related activities carried out during the Financial year.

SCOPE	SUMMARY OF PROVISIONS AND ACTIVITIES
DEPARTMENTS INVOLVED	The Chief Executive Officer, assisted by the Investor Relations and Legal Departments, is responsible for the correct application of this Policy.
PRINCIPLES	Transparency, timeliness, equal treatment, promotion of the corporate purpose and compliance.
TOPICS OF DIALOGUE	Economic/financial performance, group strategy and regulatory issues, non-financial aspects (e.g. corporate governance arrangements; environmental, social and governance (ESG) issues).

SCOPE	SUMMARY OF PROVISIONS AND ACTIVITIES
DIALOGUE MANAGEMENT	<p>Italgas communicates and interacts with all Shareholders continuously and in various ways, including, amongst others:</p> <ul style="list-style-type: none"> ▪ corporate website; ▪ publication of disclosure documents (Financial Statements, Business Plan, Presentations, Sustainable Value Creation Plan, TCFD Report - Driving innovation for energy transition, etc.) and press releases; ▪ Annual Shareholders' Meeting (a key appointment for Italgas and its investors); ▪ Investor Relations and Corporate Affairs departments, which act as contact units for all Shareholders; ▪ social media channels (Twitter, Instagram, Facebook, LinkedIn, YouTube). <p>For institutional investors, Italgas also organises one-to-one and group meetings, presentations, investor days, roadshows, conference calls and virtual meetings managed by the Investor Relations Department, attended by members of the Investor Relations Department and, if appropriate, the Chief Executive Officer, the CFO and the Department Managers considered necessary each time (such as, for example, Sustainability, Regulatory Affairs).</p>
MONITORING	<p>The Board must be informed, prior to the first relevant board meeting, on the progress and significant content of the dialogue with shareholders at the responsibility of the Chairperson and the Chief Executive Officer.</p> <p>At the Board meeting of 20 February 2024 the Chairperson invited the Head of the Investor Relations department to report to the administrative body on the developments and significant content of the dialogue with shareholders.</p>
DIALOGUE CARRIED OUT DURING THE FINANCIAL YEAR	<p>For institutional investors Italgas organised physical and/or virtual one-to-one meetings, group meetings and presentations, managed by the Investor Relations Department, in 2023 on the following occasions: (1) the quarterly results (March, May, July and October); (2) the Ordinary Shareholders' Meeting held in presence at Italgas' Turin headquarters, with the possibility for shareholders to also vote through a designated representative; (3) the presentation of the 2023-2029 Strategic Plan in London in June 2023 and the subsequent roadshow; (4) one-to-one or group meetings forming part of the Company's roadshow plan, the pre-meeting shareholders' engagement plan and/or ad hoc meetings organised at the request of individual shareholders. The meetings were attended by members of the Investor Relations department and, as required, the Chief Executive Officer and CFO.</p> <p>Without prejudice to sustainability issues, meetings with investors mainly focused on the following topics: quarterly performance and the impact of relevant macroeconomic variables, the strategic plan and its implementation, the process of integrating Enaon (formerly Depa Infrastructure), the acquisition of Veolia's water service operation business unit in Italy, and regulatory updates.</p>

For details on the methods of dialogue with investors, please refer to the Shareholder Dialogue Policy available on the Company website: <https://www.italgas.it/wp-content/uploads/sites/2/2021/07/Shareholders-Engagement-Policy.pdf>.



The Shareholders' Meeting represents all shareholders and its resolutions oblige shareholders, even if they did not take part, abstained or dissented.

There are Ordinary and Extraordinary Shareholders' Meetings, pursuant to the law, held in Italy, in a single call and convened through a call notice to be published in accordance with the terms and conditions required by law and are validly constituted and resolve through the legally-required majority. The By-Laws do not provide for derogations from the percentages established pursuant to the applicable regulations for the exercise of the actions and prerogatives put in place for the protection of minorities.

The Ordinary Shareholders' Meeting on 4 August 2016, on the recommendation of the Chairperson of the Board, approved the Regulation governing the orderly and effective conduct of shareholders' meetings, guaranteeing the right of each shareholder to speak on the agenda items being discussed.

The provisions of the Bylaws and the Regulations of the Shareholders' Meetings governing the main powers of the same and the right of shareholders to attend are described below.

SCOPE	DESCRIPTION
POWERS OF THE SHAREHOLDERS' MEETING	The Shareholders' Meeting resolves in ordinary and extraordinary session on matters provided for by law, including <i>(i)</i> the appointment and removal of members of the Board and the Board of Statutory Auditors and their remuneration and responsibilities; <i>(ii)</i> approval of the financial statements and the allocation of profits; <i>(iii)</i> the purchase and sale of treasury shares; <i>(iv)</i> remuneration policy and its implementation; <i>(v)</i> share ownership plans; <i>(vi)</i> amendments to the Bylaws; <i>(vii)</i> merger and demerger operations; <i>(viii)</i> the issue of convertible bonds.

SCOPE	DESCRIPTION
RIGHT TO ATTEND	<p>The right of every shareholder to attend Shareholders' Meetings is governed by law, the By-Laws and the provisions contained in the call notice.</p> <p>Pursuant to the applicable regulations, entitlement to attend a Shareholders' Meeting and exercise the right to vote is certified by a notification to the party with the right to vote, sent to the Company by the intermediary and issued based on the accounting evidence at the end of the seventh day the market is open prior to the date set for the Shareholders' Meeting (the "record date").</p> <p>Whoever has the right to vote can, within the limits of the law, be represented through a written proxy, which the Company should be notified of by certified electronic mail.</p> <p>In order to ensure the correctness of the discussion and the right to speak of those having this right, the Shareholders' Meeting Regulation gives the Chairperson of the Meeting the task of managing proceedings and authorising powers. Specifically, when opening the proceedings, the Chairperson of the Meeting establishes the maximum duration of each speech, usually not more than fifteen minutes. Each person entitled to speak at the meeting and exercise the right to vote or their representative can only speak once on each agenda item and can submit a request to speak to the office of the Chairperson from the time the Shareholders' Meeting is established and until the Chairperson of the Meeting opens the discussion on each agenda item. Speeches in reply are not permitted. When the discussion is closed, only short declarations of the voting are allowed.</p> <p>Shareholders may ask questions about agenda items both prior to and during the Meeting.³⁹ Pursuant to the Shareholders' Meetings Regulation, if shareholders have submitted questions before the start of the proceedings of the meeting for which the Company has not yet given a reply, the Chairperson of the Meeting responds during the meeting, at the end of all the speeches on each specific item on the agenda, provided that: <i>(i)</i> the questions are related to the items on the agenda; <i>(ii)</i> the information request is not already available in the "question and answer" format in the dedicated section of the Company's website. The Company can provide a single response to questions having the same content.</p>

For more detailed information, please refer to the Company's Bylaws and the Regulations of Shareholders' Meetings, which are available on the Company website.

During the financial year an ordinary Shareholders' Meeting was held on 20 April 2023 at the offices located in Turin, Largo Regio Parco 9. Shareholders were able to attend the Meeting in person.

The Shareholders' Meeting was attended by the Chairperson of the Board of Directors Benedetta Navarra, the Chief Executive Officer Paolo Gallo, the other Directors Claudio De Marco, Fabiola Mascardi, Gianmarco Montanari, Lorenzo Parola, Manuela Sabbatini, Qinjing Shen, Maria Sferruzza, as well as the Chairperson of the Board of Statutory Auditors Giulia Pusterla and the Standing Auditor Paola Maiorana. Standing Auditor Mr Maurizio Di Marcotullio justified his absence.

³⁹In this regard, Article 127-ter of the CLF provides, inter alia, that the call notice must indicate the deadline by which questions raised prior to the Shareholders' Meeting must reach the Company. The deadline may not be earlier than five trading days prior to the date of the Shareholders' Meeting on first or single call, or the record date pursuant to Article 83-sexies, subsection 2, CLF (end of the accounting day of the seventh trading day prior to the date set for the Shareholders' Meeting) if the call notice requires the Company to provide, prior to the Shareholders' Meeting, an answer to the questions received. In this case, answers must be provided at least two days before the Shareholders' Meeting, including by publication in a special section of the Company's website; ownership of voting rights may be certified even after sending the questions, provided that this is done by the third day following the aforementioned record date.

In order to facilitate the participation in the meeting and the exercise of the right to vote by the shareholders, the Company has also identified as designated representative, pursuant to art. 135-undecies of the CLF ("**Designated Representative**"), Computershare S.p.A., an entity with specific know-how in this area, to which the shareholders were able to delegate a representative free of charge. The Appointed Representative provided support and information to shareholders on the granting of representatives and the exercise of voting rights, making available a telephone number and an e-mail address. Shareholders were able to grant proxies pursuant to Article 135-undecies of the CLF to the Designated Representative, or proxies pursuant to Article 135-novies of the CLF.

The Company also set up a certified e-mail address reserved for the Shareholders' Meeting and prepared a section of the Italgas website dedicated to the Shareholders' Meeting, in which, inter alia, the following were made available to shareholders: (i) all notices, documents and reports relating to the Shareholders' Meeting; (ii) an FAQ section; (iii) instructions on how to exercise shareholders' rights; (iv) an interface for sending questions directly from the website.

In addition, the Shareholders' Meeting was broadcast live via streaming, in order to allow all shareholders and stakeholders to follow the proceedings of the meeting.

The Board has worked to ensure that shareholders are provided with adequate information on the elements necessary for them to take, with full knowledge of the facts, the decisions within the competence of the Shareholders' Meeting, through the publication, within the time limits provided for by law, of all the documentation supporting the discussion of the items on the agenda, formulating proposals for resolutions on all the items on the agenda and accompanying them with detailed and exhaustive illustrative reports.

The list of questions and answers received pursuant to Article 127-ter of the CLF were published on the Company's website on 18 April 2023.

There were no requests to supplement the agenda of the Shareholders' Meeting.

At the Meeting, the Board reported on its activities and plans. In particular, the Chairperson of the Board, Benedetta Navarra, read out the letter to Italgas Shareholders and Stakeholders, available on the Company website at: <https://integratedreport2022.italgas.it/en/letter-shareholders-and-stakeholders>.

The Chief Executive Officer, Paolo Gallo, illustrated the 2022 consolidated results and the future objectives of the Italgas Group through a presentation projected in live streaming, which can be viewed on the Company website: https://www.italgas.it/wp-content/uploads/sites/2/2023/04/2023-04_presentazioneAGM_Italgas.pdf.

Lastly, the Chairperson of the Appointments and Compensation Committee read out its letter to the stakeholders, available on the Company website <https://www.italgas.it/wp-content/uploads/sites/2/2023/03/Remuneration-Report-2023-and-Compensation-Paid-2022.pdf> - which also reported on how the Committee performs its functions.

During the Financial Year, the Board did not deem it necessary to prepare justified proposals to submit to the Shareholders' Meeting on the choice and characteristics of the corporate model, size, composition and appointment of the Board and term of office of its members, or on the structure of the administrative and equity rights of the shares and percentages established for the exercise of the prerogatives to protect minorities, since the current governance system was deemed already adequate and appropriate to the Company's needs.

It should be noted that attendance at the 2024 Shareholders' Meeting called to approve the financial statements as at 31 December 2023 will take place as indicated in the relevant call notice.

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FURTHER CORPORATE GOVERNANCE PRACTICES

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15.1 ORGANISATIONAL MODEL PURSUANT TO LEGISLATIVE DECREE NO. 231 OF 8 JUNE 2001

On 18 October 2016, the Board of Directors of Italgas approved for the first time the organisation, management and control model pursuant to Legislative Decree no. 231 of 8 June 2001 (the “**Model 231**”), which can be consulted on the Company’s website: <https://www.italgas.it/en/governance/administrative-responsibility-231/>.

Model 231 was then completed, following a detailed and complete risk assessment and gap analysis of all of the Company’s functions and processes, by the Special Part - approved by the Board on 14 December 2017, after obtaining the approval of the CRRPTC and the Board of Statutory Auditors on 13 December 2017.

The Italgas’ Model 231 thus consists of:

- the **General Part**, in addition to the Code of Ethics which is an integral part of Model 231, that contains, among other things, the description of: (i) risk analysis methodology; (ii) functions of the Supervisory Board, with specification of tasks, powers and information flows to that regard; (iii) methods of communicating Model 231, and information and training to its addressees; (iv) structure of the disciplinary system and whistleblowing; (v) control measures defined by the Company; and (vi) rules for updating Model 231 itself;
- the **Special Part** that, with regard to the corporate processes included in the Italgas Enterprise System, identified as potentially at risk, and with regard to the corporate departments involved in the aforesaid processes, includes: (i) the activities which, according to the reasonableness criterion, may abstractly entail the risk of committing the offences underlying the liability referred to in Legislative Decree no. 231/2001; (ii) the categories of offence referred to in Legislative Decree no. 231/2001 considered potentially relevant in view of the sensitive activities identified;⁴⁰ (iii) the measures aimed at preventing the risk of committing the aforementioned offences, structured in, among other things, cross-cutting standards and specific control standards.

Over time, Model 231 (including the Special Part) has been updated several times in relation, on the one hand, to the entry into force of regulatory changes that have affected Legislative Decree no. 231 of 8 June 2001, and, on the other hand, to changes in internal organisational structures that have affected Italgas.

The General Part of Model 231 was most recently updated by resolution of the Board of Directors on 25 July 2023 - after discussion with the Supervisory Body and approval by the CRRPTC, having consulted the Board of Statutory Auditors - to align the reporting system with Italian Legislative Decree no. 24/23. The Special Part was most recently updated by resolution of the Board of Directors on 20 February 2024 - after discussion with the Supervisory Body and approval by the CRRPTC, having consulted the Board of Statutory Auditors - to reflect the current organisational structure and scope of the Company’s activities, also following the recent corporate acquisitions, and the regulatory changes affecting Italian Legislative Decree no. 231/2001.

Model 231 is intended for members of the corporate bodies, management and employees of Italgas, as well as for all those operating to achieve Italgas’ objectives.

⁴⁰ The offences that Model 231 intends to prevent include: (i) offences in dealings with the public administration and the offence of inducement not to make statements or to make false statements to the judicial authorities; (ii) corporate offences; (iii) offences of terrorism or subversion of the democratic order; (iv) offences against the individual, as well as offences of employing citizens of third countries who are illegally resident, racism and xenophobia; (v) offences relating to market abuse; (vi) offences relating to health and safety at work; (vii) handling of stolen goods, money laundering, use of money, goods or benefits of unlawful origin and self-laundering; (viii) computer crimes and unlawful processing of data, as well as offences in breach of copyright; (ix) organised crime offences; (x) environmental offences; (xi) bribery among private individuals and incitement to bribery among private individuals; (xii) tax offences.

Pursuant to Model 231, the Board appoints a Supervisory Board after hearing the opinion of the CRRPTC, as well as after hearing the opinion of the Board of Statutory Auditors on the proposal of the Chief Executive Officer in agreement with the Chairperson of the Board.

The SB supervises, among other things, the effectiveness of Model 231 and the activities for its implementation and updating. The SB defines and carries out its activities in accordance with the rule of collective responsibility, it has autonomous powers of initiative and control, and regulates its own operation by means of specific regulations.

Model 231 establishes the information flows from the various corporate officers and departments to the SB and from the latter to top management, and in particular to the Board, the Chief Executive Officer, the Chairperson of the Board, the CRRPTC and the Board of Statutory Auditors.

The SB of Italgas is composed of three external members, one of whom is the Chairperson, chosen from among persons with proven skills and experience in issues relevant to the Company, such as, for example, law, corporate law and economics and business organisation.

The term of office of members of the SB is aligned with that of the Board which appointed them. The term of office of the SB expires on the date of the Shareholders' Meeting called to approve the financial statements for the last year of the office, although it continues to perform its duties in the interim period until a new SB is appointed.

Italgas' SB, in office during the financial year and at the date of this Report, was appointed by the Board on 25 July 2022, composed as follows:

NAME	OFFICE
Antonio Gullo	Chairperson
Francesco Profumo	Member
Romina Guglielmetti	Member

In order to ensure coordination between the various parties involved in the Internal Control and Risk Management System, the SB uses a Technical Secretarial Office, made up of internal Company representatives.

Each Subsidiary independently adopts its own Model 231 according to the specific needs of the corporate context, although the main point of reference is the principles of Italgas' Model 231 and it must take into account the indications and implementation methods laid down by Italgas with regard to the organisational and operating structure of the Italgas Group. Additionally, each Subsidiary sets up an autonomous and independent Supervisory Body. Model 231 regulates information flows between the SB of the Subsidiaries and those of Italgas.

For further information, please refer to the Company website: <https://www.italgas.it/en/governance/administrative-responsibility-231/>.

15.2 THE CODE OF ETHICS AND THE SUPERVISOR

On 18 October 2016, the Board of Directors approved for the first time its own Code of Ethics, which is an integral part of Model 231, available on the Company's website: https://www.italgas.it/wp-content/uploads/sites/2/2022/03/Codice_etico_2023.pdf.

The Code of Ethics was last updated in the course of 2022, in the context of the updating project involving Model 231 of Italgas and other Group companies. In particular, as a result of the activities, the Code of Ethics was integrated in order to give greater emphasis to the commitment of the entire Italgas Group to the protection of cultural heritage and landscape.

On 14 December 2022, the Board, having consulted the CRRPTC and the Board of Statutory Auditors, approved the updated version of the Code of Ethics, previously agreed with the SB.

The Code of Ethics:

- represents the system of values forming the foundation of the Group's ethical culture. It forms the basis for the Group's strategic line of thought and the conduct of its corporate activities;
- defines the principles with which Italgas people must comply in their relations with suppliers, customers, employees, the community and in general with all stakeholders (relations that must be conducted in compliance with the law and with the legitimate interests of all parties with which the Italgas Group comes into daily contact, in a context of ethics, integrity, transparency, fairness, professionalism, good faith, honesty and fair competition);
- contains also the general principles of business sustainability and responsibility, as well as recalling the principles which should be complied with on the subjects of the workplace, relations with stakeholders and suppliers and the personal data protection;
- applies with regard to "Italgas people" or Directors, Statutory Auditors, management and employees of the group, as well as all of those who work to achieve the objectives of Italgas.

The SB is entrusted with the functions of guarantor of the Code of Ethics (the "Guarantor"). For a description of the duties of the Guarantor, please refer to the Company website: <https://www.italgas.it/en/governance/business-ethics/ethical-code/>.

15.3 ANTITRUST

Antitrust Code

On 18 October 2016, the Board of Directors approved its Antitrust Code of Conduct (the "Antitrust Code"), most recently updated on 27 July 2020 given the evolution in the structure and organisation of the Italgas Group.

The Antitrust Code defines the guidelines of the behaviour which all employees of Italgas and Subsidiaries should conform to in order to guarantee the compliance of Italgas and its Subsidiaries with the principles dictated by the applicable regulations on antitrust issues.

The Antitrust Code applies to the entire Italgas Group as part of Italgas' management and coordination activities, and is one of the initiatives aimed both at protecting competition as part of the business culture and at implementing suitable procedures and systems for minimising the risk of violations of antitrust laws, under the broader umbrella of the compliance initiatives of the Italgas Group.

The adoption of the Antitrust Code is part of the broader antitrust compliance programme promoted by the Italgas Group, which develops, inter alia, through the establishment of an antitrust department within the General Counsel Department, which anyone in the Group can apply to for communications concerning the interpretation and application of the Antitrust Code and whenever a situation with potential antitrust risk arises.

The Antitrust Code of Conduct is available on the Company's website: <https://www.italgas.it/en/governance/compliance-procedures/>.

15.4 ANTI-CORRUPTION

Italgas is committed to preventing and fighting all forms of corruption, both nationally and internationally. Italgas S.p.A. and its subsidiaries have adopted specific procedures that prohibit bribery, in any form, of any public or private entity, whether Italian or foreign; measures that are an integral part of a broader corporate ethics control system, aimed at ensuring that the Company complies with national and international anti-corruption regulations, including the UK Bribery Act, and is in compliance with the best international standards on anti-corruption, helping to safeguard the Company's reputation.

"Policy for the prevention of and fight against corruption" and "Anti-corruption Compliance Standard"

Italgas Group's anti-corruption measures are contained in the *"Policy for the prevention of and fight against corruption"* and in the *"Anti-corruption"* Compliance Standard, which provide a systemic reference framework for the regulatory instruments present in Italgas, inspired by the principles of conduct set out in the Code of Ethics and aimed at preventing any form of corruption in relations with third parties, to protect the business integrity and reputation of the group. The two documents are available on the Company website at https://www.italgas.it/wp-content/uploads/sites/2/2023/05/Italgas_Anticorruption-Policy.pdf and <https://www.italgas.it/wp-content/uploads/sites/2/2022/05/Standard-Anti-corruption.pdf> to which reference may be made for further details.

The Italgas Group is committed to spreading awareness of the aforementioned Policy and the "Anti-Corruption" Compliance Standard, by organising specific training courses for all its staff. Italgas also requires its suppliers and stakeholders to adhere to and comply with its anti-corruption measures.

Certification UNI:ISO 37001:2016

In 2023, Italgas S.p.A. and its main subsidiary, Italgas Reti S.p.A. maintained certification of their anti-bribery management systems adopted in accordance with the UNI:ISO 37001:2016 standard, which certifies compliance of the same (*'UNI:ISO 37001:2016 Certification'*). The two companies first obtained the UNI:ISO 37001:2016 Certification in 2018, subsequently renewed for both in 2021 for the three-year period 2021-2024.

Maintenance of UNI:ISO 37001:2016 certification was also achieved in 2023 in relation to the anti-bribery management systems adopted by Nepta S.p.A., Geoside S.p.A., Bludigit S.p.A., Medea S.p.A., Toscana Energia S.p.A., Umbria Distribuzione Gas S.p.A. and Metano Sant'Angelo Lodigiano S.p.A.; these certifications were obtained for the first time by Bludigit S.p.A. in 2022 and by the other companies in 2020.

For further information on UNI:ISO 37001:2016 certification, please refer to the Company website: <https://www.italgas.it/en/governance/business-ethics/anticorruption/>.

15.5 WHISTLEBLOWING

Compliance Standard “Reports received by Italgas and its subsidiaries”

The Company adopted a procedure (i.e. the Compliance Standard “*Reports received by Italgas and its subsidiaries*”) which governs the process of receiving, reviewing and handling reports submitted by anyone, including anonymously, pertaining to conduct, actions or omissions of which they have become aware within their work that may potentially or actually harm the public interest or integrity of the Company and that fall within the significant breaches pursuant to Legislative Decree No. 24 of 10 March 2023 (“Whistleblowing Decree”) and the national and European Union regulations referred to therein, as well as the Code of Ethics and the Model 231.

Without prejudice to the more detailed provisions of the Procedure - which can be consulted on the Company website: https://www.italgas.it/wp-content/uploads/sites/2/2023/10/ITH-STC-061-R02_Standard_di_Compliance-en19.pdf to which reference should be made for further details - it should be noted that in order to facilitate the receipt of reports and in line with the provisions of Model 231, the Company has set up the internal reporting channels indicated in the Procedure, available on an encrypted IT platform, also accessible at <https://www.italgas.it/en/governance/business-ethics/reporting-procedure/>, which allows for written or verbal reports to be sent, anonymously or otherwise.

For further information on the channel, procedures and prerequisites for making internal and external reports, as well as for any other information on the rights and obligations provided for by the applicable legislation, please refer to the content of the aforementioned Procedure (available on the Company website at the above-mentioned link), to the official website of the ANAC (<https://www.anticorruzione.it>) as well as to the full text of the Whistleblowing Decree (available, for example, on the official website of the Presidency of the Council of Ministers at <https://www.normattiva.it>).

15.6 PERSONAL DATA PROTECTION

The Italgas Group recognises that the correct management of personal data is a fundamentally important value and therefore intends to pay the utmost attention to the protection of the personal data collected and processed as part of the company's activities, operating in compliance with current legislation.

The European legal framework for personal data protection is Regulation (EU) 2016/679 (GDPR - General Data Protection Regulation). In addition, at the national level each Member State has provided for specific regulations, in accordance with the GDPR (in Italy Legislative Decree 196/2003 "Privacy Code", in Greece Law 4624/2019).

Italgas has laid down the main principles of personal data protection, in line with those of Corporate Social Responsibility, already in its Code of Ethics, which includes a specific commitment for employees and the supply chain regarding the protection of personal data.

Organisational Model and "Data Protection" Compliance Standard

In accordance with the approach to risk dictated by the European legislator, based on the principle of "accountability", i.e. the principle of responsibility of the data controller, since May 2018 Italgas has specifically adopted a Data Protection Organisational Model, in compliance with the regulatory provisions of the aforementioned EU Regulation 2016/679, together with the "Data Protection" Compliance Standard, last updated on 30 June 2021 and available on the Company website: https://www.italgas.it/wp-content/uploads/sites/2/2021/07/ITH-STC-071-R01-Data-Protection_EN.pdf to which reference should be made for further details.

All the Subsidiaries defined and formally approved a Data Protection Model consistent with the standards which inspired the Italgas Data Protection Model albeit designed in accordance with their specific requirements and their organisational structure. Italgas also promotes the adoption of the Data Protection Organisational Model by its associate companies.

Compliance Standard "Data Breach Management"

Italgas has also adopted a Data Breach Management Compliance Standard, which regulates the management of personal data breaches and can be consulted on the Company website: https://www.italgas.it/wp-content/uploads/sites/2/2021/07/ITH-STC-077-R00-Data-Breach-Management_IT.pdf to which reference should be made for further details.

"Data Protection" Manual

Italgas also has a "Data Protection Manual", which aims to provide clear and precise operating instructions, with reference to Privacy by Design and Privacy by Default, risk analysis and impact assessment, the management of data subjects' rights and management of persons authorised to process personal data.

Italgas has appointed a Data Protection Officer (DPO), responsible for informing and advising on matters regarding personal data protection, monitoring compliance with the Regulation, national provisions and company policy on the protection of personal data and cooperating with the Supervisory Authority, acting as a point of contact with the same. The Data Protection Team, which combines cross-cutting skills, assists the DPO and the corporate departments involved in processing activities.

Italgas has set up and keeps up-to-date a register of processing activities carried out under its responsibility which, in addition to the compulsory information required by Article 30 of the Regulation, includes additional information, with a view to overall assessment of the impact of the processing carried out.

In tune with the risk-based management principle of data processing, appropriate technical and organisational measures are implemented to ensure an adequate level of security for the risk to the rights and freedoms of individuals. Where data processing operations may present a high risk, a data protection impact assessment has been carried out.

Training on personal data protection is provided to Italgas Group personnel and is continuously extended and updated, including through remote training tools.

Suppliers processing personal data on behalf of Italgas Group companies are designated as data processors and are contractually bound to operate in compliance with the regulations and instructions given to them, according to defined contractual standards.

In order to verify the implementation and effectiveness of the Data Protection Model and the policies adopted on the protection of personal data, a specific focus on privacy issues is developed as part of Internal Audit activities, with the involvement of the DPO.

As of 2021, the Italgas Group also undergoes third-party audits on relevant Data Protection activities.

In implementation of the Model, each Subsidiary has adopted procedures, appointed a DPO, implemented its own processing register and appropriate security measures and carried out training activities.

In 2023, the process was started for adoption of the data protection organisational model by the Greek companies, in line with that of the Parent Company, as well as the Compliance Standards for data protection and data breach management.



16

CHANGES SINCE THE END
OF THE REFERENCE YEAR

From the end of the Financial Year to the date of this Report there were no changes to the Company's corporate governance structure.



17

COMMENTS ON THE LETTER DATED
17 DECEMBER 2023 FROM THE
CHAIRPERSON OF THE CORPORATE
GOVERNANCE COMMITTEE

The letter of 17 December 2023 written by the Chairperson of the Corporate Governance Committee to the Chairpersons of the Boards of Directors of Italian listed companies (and, for information, to the Chief Executive Officers and the Chairpersons of the control bodies) was brought to the attention of the CRRPTC and the Board of Statutory Auditors during the joint meeting of 23 January 2024, the ACC during the meeting of 2 February 2024, the SVCC during the meeting of 27 February 2024, and the Board during the meeting of 20 February 2024.

The Board and the Board of Statutory Auditors have taken note of the analyses and recommendations contained in the letter and, with regard to the Issuer, have noted the substantial adequacy of the Company with respect to the requirements therein.

With reference to the areas for improvement indicated in the letter, it should first be noted that the Issuer has implemented the recommendation contained in the letter sent in January 2023, to highlight, in summary form, the essential information on adherence to the specific recommendations of the CG Code, by including a table in Annex 2 to this Report that indicates, for each provision of the CG Code, the application, disapplication or non-applicability.

Furthermore, the following should be noted with specific reference to the recommendations for 2024:

- **Business Plan:** please see § 1.6 above of this Report for a detailed description of the approval process of the Strategic Plan, indicating the players and their respective roles in the process, as well as the main topics discussed.
- **Pre-Board Meeting Information:** please see § 4.4 above of this Report for the main provisions of the Board of Directors' Regulations in relation to pre-board Meeting information and compliance with the deadlines.
- **Guidance on the best composition:** Recommendation No. 23 of the CG Code applies in the event of expiry and renewal of the Board of Directors. Italgas will therefore have to comply with this in view of the Shareholders' Meeting to approve the financial statements as at 31 December 2024, which will also be called to resolve on the appointment of the Board of Directors and the Board of Statutory Auditors. Most recently Italgas applied Recommendation No. 23 on the occasion of the renewal of corporate bodies resolved by the Shareholders' Meeting of 26 April 2022.
- **Increased Voting:** the Company's Board of Directors has not considered proposing the introduction of increased voting to the Shareholders' Meeting.

ANNEX

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ANNEX 1 - TABLES OF THE BOARD OF DIRECTORS, OF THE COMMITTEES AND BOARD OF STATUTORY AUDITORS

STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

OFFICE	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT *	IN OFFICE FROM	IN OFFICE FROM	
Chairperson	Navarra Benedetta	1967	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Chief Executive Officer▪	Gallo Paolo	1961	04/08/2016	26/04/2022	Financial statements 31/12/2024	
Director ♦	De Marco Claudio	1957	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Mascardi Fabiola	1962	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Montanari Gianmarco	1972	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Parola Lorenzo	1969	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Sabbatini Manuela	1972	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Sferruzza Maria	1970	26/04/2022	26/04/2022	Financial statements 31/12/2024	
Director	Shen Qijing	1978	27/01/2022	26/04/2022	Financial statements 31/12/2024	

Indicate the number of meetings held during the year: 12.

Indicate the quorum required for the submission of slates by minority shareholders for the election of one or more members (pursuant to Article 147-ter of the CLF): 1%

NOTES

▪ This symbol indicates the Director responsible for the internal control and risk management system.

♦ This symbol indicates the Lead Independent Director (LID).

* The date of first appointment of each Director means the date on which the Director was unanimously appointed for the first time to the Board.

** This column indicates whether the slate from which each Director was drawn was submitted by shareholders ("Shareholders") or by the Board of Directors ("BoD").

*** This column indicates the slate from which each Director was taken ("1": majority slate; "2": minority slate).

**** This column shows the number of directorships or Statutory Auditor appointments held by the person concerned in "Significant Companies" pursuant to the CG Code and the guidelines on limits and prohibitions on the accumulation of appointments adopted by the Company and confirmed most recently on 14 December 2022.

***** This column shows the attendance of Directors at board meetings.

	SLATE (PRESENTORS) **	SLATE (1/2) ***	EXEC.	NON- EXEC.	INDEP. CG CODE	INDEP. CLF	NO. OF OTHER OFFICES ****	ATTENDANCE (****)
	Shareholders	1		▪	▪	▪	4	12/12
	Shareholders	1	▪				-	12/12
	Shareholders	1		▪	▪	▪	-	12/12
	Shareholders	2		▪	▪	▪	2	12/12
	Shareholders	2		▪	▪	▪	2	12/12
	Shareholders	1		▪		▪	-	10/12
	Shareholders	1		▪			1	12/12
	Shareholders	1		▪			-	12/12
	Shareholders	1		▪			3	10/12

STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

BOARD OF DIRECTORS		CRRPTC		SVCC		ACC	
OFFICE/QUALIFICATION	MEMBERS	(*)	(**)	(*)	(**)	(*)	(**)
Chairperson of the Board Non-executive - independent as per the CLF and CG Code	Benedetta Navarra	8/10					
Chief Executive Officer - non-independent	Gallo Paolo						
Non-executive Director - independent as per the CLF and CG Code	De Marco Claudio	10/10	M			17/17	M
Non executive - non independent Director	Sabbatini Manuela	10/10	M			17/17	M
Non-executive Director - independent as per the CLF and CG Code	Montanari Gianmarco	10/10	P				
Non-executive independent Director in accordance with the CLF	Parola Lorenzo ⁴¹			7/7	P	3/3	
Non-executive Director - independent as per the CLF and CG Code	Mascardi Fabiola ⁴²			1/1		14/17	P
Non executive - non independent Director	Sferruzza Maria			8/8	M		
Non executive - non independent Director	Shen Qinjing			8/8	M		

⁴¹ Mr Lorenzo Parola served as member and Chairperson of the ACC until 21 February 2023. On 22 February 2023, he was appointed member and Chairperson of the SVCC..

⁴² Ms Fabiola Mascardi served as Chairperson of the Appointments and Compensation CommitteeSVCC until 21 February 2023. On 22 February 2023, she was appointed Chairperson of the ACC.



STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT THE END OF THE FINANCIAL YEAR

OFFICE	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT *	IN OFFICE FROM	
Chairperson	Pusterla Giulia	1960	26/04/2022	26/04/2022	
Standing Auditor	Di Marcotullio Maurizio	1967	26/04/2022	04/04/2019	
Standing Auditor	Maiorana Paola Maria	1965	26/04/2022	26/04/2022	
Alternate Auditor	Fiorini Stefano	1969	26/04/2022	04/04/2019	
Alternate Auditor	Cavalieri Barbara	1981	26/04/2022	26/04/2022	

Indicate the number of meetings held during the year: 18

Indicate the quorum required for the submission of lists by minority shareholders for the election of one or more members (pursuant to Article 148 of the TUF): 1%

NOTES

* The date of first appointment of each Auditor means the date on which the Statutory Auditor was unanimously appointed for the first time to Italgas' Board of Statutory Auditors.

** This column indicates the slate from which each Auditor was taken ("1": majority slate; "2": minority slate).

*** This column indicates the attendance of Auditors at meetings of the Board of Statutory Auditors.

**** This column shows the number of directorships and Auditor posts that the party is bound to disclose pursuant to Article 148-bis of the CLF and its implementing provisions contained in the Consob Issuers' Regulations. The full list of offices is published by Consob on its own website pursuant to Article 144-quinquiesdecies of the Issuers' Regulations.

***** Having learned that the candidate Simone Montanari, a candidate in the slate submitted by Inarcassa, is unavailable to take on the position of Alternate Auditor of Italgas, Inarcassa proposed – pursuant to Article 126-bis, subsection 1, penultimate sentence of the CLF – to resolve to appoint Barbara Cavalieri to the position of Alternate Auditor of Italgas. The proposal was approved by a majority.

IN OFFICE UNTIL		SLATE **	INDEP. CODE	ATTENDANCE AT BOARD MEETINGS ***	NO. OF OTHER OFFICES ****
	Financial statements 31/12/2024	2	▪	18/18	19
	Financial statements 31/12/2024	1	▪	17/18	6
	Financial statements 31/12/2024	1	▪	17/18	1
	Financial statements 31/12/2024	1	▪	0/0	25
	Financial statements 31/12/2024	*****	▪	0/0	7

ANNEX 2 - ATTENDANCE OF MANAGERS AT BOARD OF DIRECTORS AND COMMITTEE MEETINGS DURING THE FINANCIAL YEAR

MANAGER	PARTICIPATION AT MEETINGS			
	BOARD OF DIRECTORS	CRRPTC	ACC	SVCC
General Counsel*	12/12	4/10	16/17	7/8
Head of Human Resources & Organization*	6/12	-	17/17	-
Head of External Relations and Sustainability*	2/12	2/10	-	7/8
Chairperson Italgas Reti and Director of Institutional Relations and Regulatory Affairs*	1/12	-	-	-
Head of Procurement and Material Management*	1/12	-	-	1/8
Chief Executive Officer of Italgas Reti*	1/12	-	-	-
Chief Executive Officer of Toscana Energia*	1/12	-	-	-
Chief Executive Officer of Bludigit*	1/12	-	-	-
Chief Financial Officer*	12/12	3/10	2/17	-
Head of Corporate Strategy*	5/12	-	-	-
Chief Security Officer*	1/12	-	-	1/8
Head of Internal Audit	1/12	10/10	-	-
Officer Responsible pursuant to Article 154-bis CLF	4/12	3/10	-	-
Chief Executive Officer of Geoside	1/12	-	-	-
Head of HSE	-	1/10	-	-

* Executives with Strategic Responsibilities pursuant to Art. 65, para. 1-*quater*, Issuers' Regulations.

ANNEX 3 - BIOGRAPHIES OF THE MEMBERS OF THE BOARD OF DIRECTORS

BENEDETTA NAVARRA



Non-Executive Independent Chairperson

Date of first appointment
26 April 2022

Participation in Committees

—

Number of other relevant positions based on Italgas' guideline

4

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares held as at 31 December 2023

0

Born in Rome on 24 March 1967.

She graduated cum laude in Economics and Commerce from the LUISS - Guido Carli University in Rome and in Law from the "La Sapienza" University in Rome. She then attained the titles of Lawyer, Chartered Accountant and Auditor.

She has acquired considerable experience mainly in the areas of corporate, banking and financial market law. She has accrued significant experience in managing, also out-of-court, company crises, in project financing, securitisation of bank credits and the responsibility of intermediaries when providing investment services, also during penalty procedures initiated by the Supervisory Authority.

She assisted the Ministry of Economy and Finance with the privatisation of Banca Nazionale del Lavoro, Mediocredito Centrale - Banco di Sicilia, Credito Industriale Sardo, Cassa Depositi e Prestiti. She has held various important positions, both nationally and internationally, as a member of the Board of Directors, including of listed companies (Yapi Kredi Bankasi; Koc Financial Service; Yapi Kredi Sigorta), as a member of the Supervisory Board (UniCredit Bank Czech Republic and Slovakia, a.s., Ukrsotsbank' PJSC), as chairperson or standing member of Boards of Statutory Auditors (Poste Italiane S.p.A.; Equitalia S.p.A.; CDP Reti S.p.A.; Buddy Bank S.p.A.; Guala Closures S.p.A.; Isola dei Tesori S.r.l.; DMO Pet Care S.r.l.; LVenture Group S.p.A.; Sviluppo HQ Tiburtina S.r.l., Italo S.p.A.) as well as member of the Supervisory Board (CDP Reti S.p.A., LVenture Group S.p.A., Promo.ter Roma).

Currently standing member of the Boards of Statutory Auditors of Unicredit S.p.A., Mundys S.p.A. and Aeroporti di Roma S.p.A., and non-executive Director of Cementir Holding N.V.; member of the Board of External Auditors of the Telethon Foundation, Chairperson of the Audit Committee of Unicredit BulBank, Chairperson of the SB of Equitalia Giustizia S.p.A, SB of ConfCommercio Imprese per l'Italia provincia di Roma Capitale.

PAOLO GALLO



Chief Executive Officer and General Manager

Date of first appointment
4 August 2016

Participation in Committees

—

Number of other relevant positions based on Italgas' guideline

0

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares held as at 31 December 2023

513,475

Born in Turin 18 November 1961.

He has a degree in Aeronautical Engineering from the Polytechnic of Turin. He later gained an MBA from the Scuola di Amministrazione Aziendale (SAA -Università degli Studi di Torino).

He began his career at Fiat Avio S.p.A. in 1988 where he held various positions of responsibility for 13 years. In 1997 he began to get involved in the energy sector developing new initiatives in Italy, India and Brazil and later combined all the electricity generation activities for the Fiat Group at Fiat Energia (where he was CEO until 2002), the vehicle through which the Fiat Group acquired control of Montedison in July 2001.

From 2002 to 2011 he was part of the Edison Group, first as Director of Strategy and Innovation and later (2003 - 2011) as General Manager and then CEO of Edipower. Afterwards (2011 - 2014) he was General Manager and then CEO of Acea S.p.A. one of the leading Italian multi-utility companies, listed on the Milan stock exchange.

From 2014 to 2016 he was Chief Executive Officer of Grandi Stazioni, and finalised its privatisation.

Between 1992 and 1993 he was Director of the MBA course at the School of Business Management of the University of Turin, teaching "The economic-financial evaluation of industrial investments" until 2002, and he was the co-author of important publications in the industry. From 2018 to 2020 he was Professor of the Re-engineering Operational Processes (Master in Digital Ecosystem) and Energy Management (Master in Energy Industry) courses at the Luiss Business School.

In August 2016 Paolo Gallo was appointed General Manager and Chief Executive Officer of Italgas.

CLAUDIO DE MARCO*



Non-Executive Independent Director

Date of first appointment
26 April 2022

Participation in Committees

Member of the CRRPTC and ACC

Number of other relevant positions based on Italgas' guideline

0

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares held as at 31 December 2023

0

Born in Cosenza on 10 February 1957.

He graduated in Economics and Banking Sciences cum laude from the University of Siena, and later obtained a master's degree in 'Management Control' from SDA BOCCONI in Milan, as well as qualification as a chartered accountant and auditor.

In the early part of his career he held top management positions in the finance area of the ENI Group, with responsibility for Management Control, Administration, Taxation, yearly and consolidated Financial Statements, and Treasury. In the same period, he was a member of the Board of Directors of several Italian companies active in the Exploration & Production, Gas & Power and renewables sectors. In 2000 he took on the position of CFO at SNAM co. In particular, following the 'unbundling' of the gas transmission network, he participated as team leader in the listing process of the company Snam Rete Gas on the Milan Stock Exchange, where he became CFO (2001- 2007). He was subsequently appointed CFO of Italgas S.p.A. During those years, he was also a member of the Board of Directors of GNL Italia (regasification), Napoletana Gas and other minor companies. From 2008 onwards, he has gained international experience: until 2012, he was CFO and Executive Director of GALP, a company listed on the Portuguese stock market, with registered office in Lisbon, and operating in more than 20 countries in the hydrocarbon sector. At the beginning of the second half of 2012, he became CFO of South Stream (2012-2014) based in Amsterdam; subsequently, he was Chief Executive Officer of ENI INTERNATIONAL BV (2015-2016) also based in Amsterdam and at the end of 2016 he was appointed Chief Executive Officer of ENI UK LTD (2016-2017) based in London.

FABIOLA MASCARDI



Non-Executive Independent Director

Date of first appointment
26 April 2022

Participation in Committees	Chairperson of the ACC
Number of other relevant positions based on Italgas' guideline	2
Slate drawn from	Slate submitted by the shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti), representing 1.3745% of the capital of Italgas (minority slate).
Italgas shares held as at 31 December 2023	0

Born in Genoa on 4 December 1962.

She graduated in Law from Genoa University, with a Master's in International Law, Common Law and German competition law; she also obtained a PhD in International Law.

Acquired international experience by conducting research in several important European universities between 1993 and 2003, and as Director at the European Community Court of Justice and European Community Commission, specifically as a member of the Directorate-General for Competition, of the Legal Service, of the Cabinet of Commissioner Monti, member of the Cabinet of the Deputy Chairperson and head of EU Transport and Energy Policy Loyola de Palacio, and member of the Commission Delegation in Italy.

She was Director of UE Relations in Finmeccanica/Leonardo (2003-2006) and Director of External Relations for Ansaldo Energia (2007-2012); she was a member of the Board of Directors, Chairperson of the Appointments and Compensation Committee and member of the Related Parties Committee of the multi-utility IREN S.p.A. (2013 - 2019). Within the IREN Group, she first was Chairperson of SAP, Società Acque Potabili (2014-2015) and Chairperson of Mediterranea Acque (2015-2017), both companies managing the integrated water cycle in Italy, and finally Chairperson of IREN Ambiente (2018-2019). From 2013 to 2017, she held the position of Director on the Board of IREN Energia.

From 2018 to 2022 she was a member of the Board of Directors, the Compensation and Appointments Committee and Sustainability Committee of Ansaldo Energia. From 2019 to 2021 she was a member of the Board of Directors, the Compensation and Appointments Committee and Chairperson of the Sustainability Committee of ASTM S.p.A. From 2017 to 2022 she was a member of the BoD of Enav S.p.A. and member of the Compensation and Appointments Committee, Sustainability Committee and Risks Committee for the same company.

Currently a members of the Board of Directors, Lead Independent Director, member of the Risks, Sustainability and Related Parties Committee, Compensation and Appointments Committee of Antares Visione; she is also a member of the Board of Directors of Grendi Group.

GIANMARCO MONTANARI



Non-Executive Independent Director

Date of first appointment
26 April 2022

Participation in Committees

Chairperson of the CRRPTC

Number of other relevant positions based on Italgas' guideline

2

Slate drawn from

Slate submitted by the shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti), representing 1.3745% of the capital of Italgas (minority slate).

Italgas shares held as at 31 December 2023

200

Born in Novara on 20 April 1972.

He graduated in Management Engineering from the Polytechnic of Turin, holds four further degrees in Management, Economics, Political Science and Law from the University of Turin and the Board Director Diploma, awarded with Distinction (top 3), from the IMD in Lausanne.

He has, over the years, obtained numerous specialisations at leading International Business Schools (i.e. Harvard Business School, IMD, INSEAD, Columbia University, Bocconi) on topics of management, innovation, digitisation and governance including the International Directors Programme at INSEAD. He is qualified to practice as an engineer, journalist publicist, financial advisor, F.I.G.C. Sport Management Collaborator, ACOI Coach and OIV Band 3 by the Ministry of Education.

He was General Manager of the Italian Institute of Technology, and before that, he was City Manager (General Manager) of the city of Turin after having worked for twenty years in top positions in the Automotive, Financial Services, Management Consulting and Central Public Administration sectors, always managing reorganisation processes and the digital transformation of complex enterprises with modern organisations.

He is advisor to numerous investment funds, multinationals and ministries; member of numerous boards of private and public companies, including FincoBanck, Tinexta, Gruppo Torinese Trasporti, Agenzia delle Entrate, AGID (Agency for Digital Italy), the University of Turin etc; as well as member of OIVs Independent Evaluation Bodies.

He was first awarded the honour of Cavaliere della Repubblica Italiana and then Ufficiale al Merito della Repubblica Italiana.

He is author of the book 'Tech Impact. "Luci ed ombre dello sviluppo tecnologico" and other publications. He is the inventor of the IED® Intergenerational Environmental Debt.

He is currently General Manager of the National Foundation for Sustainable Mobility (MOST).

LORENZO PAROLA



Non-Executive Independent Director

Date of first appointment
26 April 2022

Partecipazione a
Comitati

Chairperson of the SVCC

Number of
other relevant
positions based
on Italgas' guideline

0

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares
held as at 31
December 2023

0

Born in Cuneo on 10 April 1969.

He graduated in Law from the Cattolica del Sacro Cuore University of Milan and then obtained a Master's in Company Law from the SAA School of Management of Turin. He is both a Cassation Attorney in Italy and a Solicitor in England and Wales.

He started his career in 1998 at the international law firm Allen & Overy where he was a partner and member of the Global Board until 2009. After that, between 2009 and 2012, he held the position of partner and Global joint manager of Renewable Energies, in Dewey & LeBoeuf LLP. Between 2013 and 2019, he was Partner and Head of Europe for energy and utilities, in Paul Hastings. He was also partner and head of the Italian department for energy and infrastructures in Herbert Smith Freehills.

In 2022 he founded the law firm Parola Associati where he is Managing Partner.

He is recognised as one of the leading experts in energy law in Italy, having provided legal advice in the context of some of the most innovative and complex operations in the sector. He regularly advises infrastructure funds, utilities and oil majors in domestic and cross-border M&A operations in the renewable and conventional source generation, oil & gas, energy transition and digitisation, and circular economy sectors. He has acquired considerable experience of contractual, authorisation and regulatory aspects related to the development of infrastructural projects, and for sector contracts such as, merely as an example, PPA, tolling, gas and LNG sales contracts, financial and physical trading of energy.

He is currently a lecturer on higher education university and master's courses. He founded the Italian PPAs Committee and the E-Innovation Committee, dedicated to market parity and energy transition, grouping together producers, traders, end customers and banks.

MANUELA SABBATINI



Non-executive director

Date of first appointment
26 April 2022

Participation in Committees	Member of the CRRPTC and ACC
Number of other relevant positions based on Italgas' guideline	1
Slate drawn from	Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).
Italgas shares held as at 31 December 2023	0

Born in Rome on 13 March 1972.

She graduated in Economics from "La Sapienza" University in Rome and is enrolled in the Register of External Auditors.

In 1999, she started her career in KPMG S.p.A. where she held the position of Senior Manager as head of auditing for corporate and banking and financial groups' financial statements, auditing in the financial areas of industrial groups or companies, and assistance in listing procedures. She was also a member of the internal department assigned to provide technical-professional guidelines for professional personnel.

In 2016, she moved to Cassa Depositi e Prestiti S.p.A. (hereinafter, 'CDP'), where she held various positions and had diverse responsibilities, including Head of the Group's Accounting and Budget Regulations Organisational Unit mainly concerned with the preparation of consolidated financial statements and related reports, managing relations with other departments and companies in the Group; analysing and interpreting accounting and financial statement regulations, defining the accounting approaches of Group subsidiaries subject to management and coordination.

She has also been a member of the certain CDP Group Funds consultation Committee (2017-2019), Director of CDP Investimenti SGR S.p.A. now CDP Real Asset SGR S.p.A. (2019-2020), Director of FSIA Investimenti S.r.l. (2017-2021).

He is currently Director of Internal Audit at CDP and member of the Supervisory Body of Simest S.p.A. (since 2022), member of the Board of Directors of CDP Foundation (since 2020) and CDP Venture Capital SGR (since 2023); he is also a member of the Elections Committee of the Italian Association of Internal Auditors.

MARIA SFERRUZZA



Non-executive director

Date of first appointment
26 April 2022

Participation in Committees

Member of the SVCC

Number of other relevant positions based on Italgas' guideline

0

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares held as at 31 December 2023

0

Born in Palermo on 25 October 1970.

She graduated cum laude in Industrial Engineering from Palermo University.

In her first career years, her first position was Application Engineer with responsibility for development and commercial negotiations (1995-1997); she then acquired growing operational, commercial and strategic experience in General Electric S.p.A., as Application Engineer, Project Engineer, US Sales. She was then appointed CEO Analyst, coordinating Program Office activities and reporting directly to the CEO, in the Oil & Gas Division.

In the following years, she held considerably important positions such Marketing & Strategic Alliances Leader (2001-2003) and Sales Executive for the Southern Europe area (2003-2005). Between 2005 and 2011, she held the position of Operation Executive and was assigned full economic responsibility for the entire process services line and management of a team with varied skills. She then became General Manager for the Global Sales Service (2011-2013) and then Vice Chairperson of the Turbomachinery Service Operations (2014-2016). Her career in Baker Hughes began in 2017 as Turbomachinery and Process Solution LNG and Global Service President. In the following year she was appointed Senior Vice President for the Pacific Area, reporting directly to the EVP Global Operations.

QINJING SHEN



Non-executive director

Date of first appointment
27 January 2022

Participation in Committees

Member of the SVCC

Number of other relevant positions based on Italgas' guideline

3

Slate drawn from

Slate submitted jointly by the shareholders CDP Reti S.p.A. and Snam S.p.A, together representing 39,49% of Italgas' share capital (majority slate).

Italgas shares held as at 31 December 2023

0

Born in Haining, Zhejiang, on 22 July 1978.

He graduated with a Master's Degree in Electrical Power System Engineering from Zhejiang University, China.

He served as Head of the Department of Business Development & Strategy, State Grid International Development Co., LTD (2016-2021). Among his main roles, he was Key Contact and coordinator of extraordinary transactions for CPFL Energia in Brazil. Key player in State Grid's other M&A transactions (Chilquinta, Chile (2.5 billion dollars, 2020) CGE, Chile (3 billion dollars, 2021). He served as Deputy Director of Business Development & Strategy, State Grid International Development Co., LTD (2013-2016). Among his main roles, he was Project Manager and Key Contact of the CDP Reti transaction (2.2 billion dollars) in 2014. High-level participation in several M&A transactions in Australia during the same period for State Grid. He was previously Project Manager of the Department of Business Development&Strategy, State Grid International Development Co., LTD (2008-2013). Among his main roles, he was Project Manager for the purchase of 7 transmission concessions in Brazil from Spanish investors (1 billion dollars) in 2010. Participation in transactions concerning NGCP, Philippines (2009), REN, Portugal (2011). Most recently, he was a Dispatching Engineer at the Dispatching Communication Center, Zhejiang Electric Power Company (a subsidiary of State Grid Corporation of China) (2003-2008).

He is currently a member of the Board of Directors of CDP RETI S.p.A., Terna S.p.A., SNAM S.p.A. and Chief Representative for State Grid in Italy.

ANNEX 4 - POWERS RESERVED EXCLUSIVELY FOR THE BOARD OF DIRECTORS

The following table shows the specific duties that the Board of Directors has reserved pursuant to Article 2381 of the Italian Civil Code for its exclusive area of responsibility, as well as those which cannot legally be delegated and those required by the Code of CG.

DUTIES	
1) EXAMINATION AND APPROVAL OF STRATEGIC, INDUSTRIAL AND FINANCIAL PLANS AND PERIODIC FINANCIAL REPORTS	<p>The Board:</p> <ul style="list-style-type: none">▪ defines strategic guidelines and objectives for the Company and the group it heads ("Group"), including sustainability policies, at the recommendation of the CEO. In compliance with the unbundling regulations, it examines and approves the strategic, business and financial plans of the Company and of the Group, monitoring each year their implementation, as well as the Company's strategic agreements;▪ examines and approves the budget of the Company and of the Group;▪ examines and approves the half-yearly report and the interim reports on operations of the Company and of the Group, as provided for by current legislation;▪ examines and approves the disclosure of non-financial information pursuant to Legislative Decree no. 254/2016 ⁴³ and the Corporate Governance and Ownership Structure Report, to be brought to the attention of the Shareholders' Meeting.

⁴³ Please note that the Sustainable Value Creation Committee (SVCC) examines and assesses the disclosure of non-financial information pursuant to legislative decree no. 254/2016, to be submitted to the Board, in coordination with the Control, Risk and Related Party Transactions Committee (CRRPTC) in relation to the assessment by the latter of the suitability of the periodical financial and non-financial information for the purpose of correctly representing the business model, the Company's strategies, the impact of its activities and the performance achieved.

	DUTIES
2) DEFINITION OF THE CORPORATE GOVERNANCE SYSTEM AND GROUP STRUCTURE	<p>The Board:</p> <ul style="list-style-type: none"> ▪ defines the system and rules of corporate governance of the Company and the structure of the Group. In particular, following consultation with the CRRPTC, it adopts rules which ensure transparency and the substantial and procedural correctness of transactions with related parties and of transactions in which a Director or a Statutory Auditor has a personal interest or an interest on behalf of others; it also adopts, upon the recommendation of the Chairperson in agreement with the CEO, a procedure for the management and communication of corporate information, with particular reference to inside information; ▪ sets up the Internal Committees of the Board, with investigative, proposal and consultative functions, appointing their members, establishing their duties and approving their regulations; ▪ receives half-yearly reports from the Internal Committees of the Board; ▪ on the recommendation of the CEO and with the agreement of the Chairperson, it appoints and dismisses the General Managers, granting them their relevant powers, in compliance with the provisions of the Company Bylaws; ▪ on the recommendation of the CEO and with the agreement of the Chairperson, following approval from the Board of Statutory Auditors, it appoints and dismisses the Officer responsible, in compliance with the provisions of the Bylaws, ensuring that he/she has suitable powers and means; ▪ ensures that the person appointed by department in charge of handling investor relations has been identified by the CEO; ▪ resolves (i) on the recommendation of the CEO, to exercise voting rights at the shareholders' meetings of direct subsidiaries and, (ii) upon the proposal of the Appointments and Compensation Committee (ACC), on the appointments of members of the bodies of the direct subsidiaries and indirect subsidiaries included in the consolidation scope, with an individual turnover equal to or above 30 million euros; ▪ draws up resolutions to be submitted to the Shareholders' Meetings. <p>The Board also reserves for itself the tasks and duties assigned to it by the "Italgas S.p.A. Board of Directors' Rules of Operation and Organisation."⁴⁴</p>

⁴⁴ In this regard, please see Article 3 ("Role and powers of the Board of Directors") of said regulation, which can be consulted on the Company website: [https://www.italgas.it/en/governance/board-of-directors/..](https://www.italgas.it/en/governance/board-of-directors/)

DUTIES

3) DEFINITION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM AND ASSESSMENT OF ITS ADEQUACY AND EFFECTIVENESS

The Board:

- on the recommendation of the CEO, having received the opinion of the CRRPTC, it defines and updates the guidelines of the internal control and risk management system, in line with the strategies of the Company and of the Group and taking into account the characteristics of the company and of the risk profile assumed so that the main risks pertaining to the Group are correctly identified, adequately measured, managed and monitored, defining the nature and level of risk compatible with the strategic objectives of the Company and of the Group, with a view to pursuing sustainable success;
 - appoints and removes, on the proposal of Chief Executive Officer, formulated in agreement with the Chairperson, subject to the favourable opinion of the CRRPTC and after consulting the Board of Statutory Auditors, the Head of Internal Audit; it ensures that they are provided with adequate resources to perform their duties;
 - after consulting with the CRRPTC, at least once a year - and as a rule during the approval of the annual financial report - it evaluates the adequacy of the internal control and risk management system ("ICRMS") in relation to the characteristics of the company and the assumed risk profile, as well as its efficiency with regard to the strategic objectives of the Company and of the Group, with a view to pursuing sustainable success;
 - assesses, subject to the opinion of the CRRPTC, having consulted the Board of Statutory Auditors, the results set out by the external auditor in the letter of suggestions, if any, and in the additional report addressed to the control body;
 - at least once a year, after consulting with the CRRPTC, it approves the work plan prepared by the Head of the Internal Audit department, based on a structured process of analysing and prioritising the main risks, having consulted the Board of Statutory Auditors and the CEO.
-

DUTIES

	<p>The Board also reserves for itself the tasks and duties assigned to it by the “Guidelines on the Italgas Group’s Internal Control and Risk Management System”, which, in addition to those indicated above, are as follows:</p> <ul style="list-style-type: none"> ▪ annually approves the strategies and policies for managing the main risks of the Company and the Group, based on the CEO’s analysis, who for this purpose reports to the Board on the state of the ICRMS, particularly in relation to factors that could cause risks to the Company and the Group; in its assessments, the BoD includes all the risks that may be relevant to the pursuit of sustainable success; ▪ may request other audits from the Head of the Internal Audit department that are not required by the Plan; ▪ assesses the advisability of adopting measures to guarantee the effectiveness and impartiality of the other company departments involved in the checks, verifying that they have adequate professional skills and resources; ▪ appoints and dismisses the Supervisory Body, on a proposal from the CEO in agreement with the Chairperson of the Board of Directors, having consulted the Board of Statutory Auditors, and assigns its supervisory functions pursuant to article 6, subsection 1, lett. b) of Legislative Decree No. 231/2001, assessing the advisability of appointing at least one non-executive Director and/or a member of the Board of Statutory Auditors and/or the holder of a legal or control position in the Company as a member thereof, in order to ensure coordination between the various subjects involved in the ICRMS; ▪ adopts the Model 231, having consulted the Board of Statutory Auditors, and approves all adjustments to the regulatory provisions in force from time to time; ▪ describes in the Corporate Governance and Ownership Structure Report, the main characteristics of the ICRMS and the coordination procedures between the subjects involved in it, indicating the reference models and national and international best practices, and expresses its overall assessment of the adequacy of the system itself and records the choices made regarding the composition of the Supervisory Body; an illustration of the main features of the SCIS is included in this description; ▪ as the management system governing body responsible for preventing and fighting corruption (“Anti-corruption Management System”), it has responsibility and authority regarding the activities, administration and policies of Italgas to fight corruption.
4) ASSESSMENT OF THE ADEQUACY OF THE ORGANISATIONAL, ADMINISTRATIVE AND ACCOUNTING STRUCTURE	<p>The Board defines the basic guidelines for the organisational, administrative and accounting structure of the Company and its subsidiaries. It also evaluates on, an annual basis, the adequacy of the organisational, administrative and accounting structure of the Company and its subsidiaries with strategic relevance, with particular reference to the ICRMS.</p>

DUTIES

5) ONGOING ASSESSMENT OF GENERAL OPERATING PERFORMANCE AND RELATIONS WITH DELEGATED BODIES

The Board:

- assesses the general performance of operations, taking into consideration, in particular, the information received from the delegated bodies, paying particular attention to conflicts of interest and periodically comparing the results achieved, as stated in the financial statements and the interim accounts, with those of the budget, also acquiring the necessary information and adopting all measures suitable to protect the Company and disclosure to the market in case of significant events;
 - assigns and revokes powers to/from the Chairperson and the CEO, identified in the CG Code as the “Chief Executive Officer” (CEO) in that this figure is the main party responsible for the management of the company, setting their limits and methods of operation and, after having examined the proposals of the specific Committee and consulted the Board of Statutory Auditors, determining their remuneration. It may issue directives to the delegated bodies and may take upon itself operations which are covered by the powers. The Chairperson and the CEO report at least once a quarter to the Board itself and to the Board of Statutory Auditors on how they have exercised their powers, on the transactions with the greatest impact on the financial statements carried out by the Company and its subsidiaries, and on transactions with related parties. Information must be made available promptly in the case of transactions in which the Directors have a personal interest or an interest on behalf of third parties, or which are influenced by any party who exercises direction and coordination activities;
 - examines and resolves on other particularly important and sensitive issues which the Directors who hold powers wish to draw to the attention of the Board.
-

DUTIES

**6) APPROVAL OF SIGNIFICANT
TRANSACTIONS OF ITALGAS
AND ITS SUBSIDIARIES**

The Board approves:

- the merger in the cases specified in articles 2505 and 2505-bis of the Italian Civil Code, also in the case of demergers, in those cases referred to in said legal provisions;
- the opening, changing or closing of branches;
- the reduction in the share capital upon withdrawal of one or more shareholders;
- the adaptation of the Bylaws to legal provisions;
- the transfer of the registered office within Italy;

the Board, on the recommendation of the CEO, resolves on the transactions of the Company and its subsidiaries, in terms of the exercise of direction and coordination activities, that have a significant strategic, economic, capital and financial importance for the Company and the Group. This is without prejudice, in each case, to compliance with the confidentiality obligations relating to the commercial relations between the Subsidiary and the Company or third parties. The following transactions are considered to be of significant strategic, economic, capital and financial importance for the Company and the Group:

- acquisitions, disposals, sales, transfers of companies or business units (including rent and usufruct), real estate and/or equity investments worth more than 100 million euros;
- contracts for the sale of goods and/or services used for commercial and administration purposes by the Company and its Subsidiaries for amounts greater than 1 billion euros and/or for a term of more than 15 years;
- contracts relating directly to the activities indicated in the corporate objective and/or relating to the day-to-day management of corporate activities worth over 100 million euros and/or with a duration of over 15 years;
- the stipulation, modification and termination of credit contracts for sums exceeding 2 billion euros and/or with a duration of over 15 years;
- the disbursement by the Company and its subsidiaries of loans to third parties other than Italgas S.p.A. and its Subsidiaries;
- sureties and other forms of personal guarantee, as well as letters of patronage, in relation to commitments assumed or to be assumed by companies in which the Company, directly or indirectly, holds an equity investment, for amounts greater than 100 million euros and in any event if the amount is not proportional to the investment held therein; - with regard to sureties guaranteeing obligations undertaken or to be undertaken by the Company with third parties, worth over 100 million euros;
- the Company's brokerage contracts.

The activities and processes carried out by the Subsidiary Italgas Reti S.p.A. in relation to identifying natural gas distribution tenders in which to participate, and in relation to preparing the technical and financial bids for these tenders, are not discussed or subject to prior approval by Italgas S.p.A.' Board.

DUTIES	
7) ASSESSMENT OF THE SIZE, COMPOSITION AND FUNCTIONING OF THE BOARD OF DIRECTORS AND COMMITTEES	<p>In view of each renewal of the Board::</p> <ul style="list-style-type: none"> expresses to the shareholders a guideline on the quantitative and qualitative composition of the Board deemed optimal, as well as on the managerial and professional figures whose presence on the Board is deemed appropriate, also taking into account the results of the annual self-assessment on the functioning of the Board and its committees, as well as their size and composition; requires those submitting a slate containing more than 5 (five) candidates to provide adequate information, in the documentation submitted for the filing of the slate, on whether the slate complies with the guidelines expressed by the Board and to indicate their candidate for the office of Chairperson of the Board.
8) DEFINITION OF THE REMUNERATION POLICY	<p>The Board, after reviewing the proposals of the ACC, defines the remuneration policy for the Directors, general managers, executives with strategic responsibilities and, without prejudice to the provisions of article 2402 of the Italian Civil Code, for the Statutory Auditors of the Company and of its subsidiaries ("Remuneration Policy") and the compensation systems; it also implements the compensation plans based on shares or financial instruments approved by the Shareholders' Meeting; it approves the Remuneration Report to be submitted to the Shareholders' Meeting; having received the necessary opinion from the ACC, it assesses the vote on the Remuneration Report taken by the Shareholders' Meeting and the 6 proposals of the ACC on the adequacy, overall coherence and application of the adopted Remuneration Policy.</p>

TASKS AND DUTIES OF THE CHAIRPERSON

Without prejudice to the responsibilities assigned by law, by the Bylaws and by the Corporate Governance Code approved by the Corporate Governance Committee in the *pro tempore* applicable version by which the Company abides, for anything not expressly specified below, the Chairperson:

- has the legal representation of the Company;
- handles relationships and relations of strategic importance with institutional bodies and international authorities, after having obtained the opinion of the Chief Executive Officer;
- convenes and presides over the Board of Directors, sets the agenda of Board meetings, having obtained the opinion of the Chief Executive Officer;
- has a role to prompt and supervise the work of the Board, and coordinates its work; oversees its correct operation, ensuring that the directors are adequately informed. Ascertains that Board resolutions are implemented;
- assesses and supports the proposals of the Chief Executive Officer for the appointment of General Managers, the Officer responsible for the preparation of the financial reports of the Company and the members of the supervisory Body pursuant to legislative decree no. 231 of 8 June 2001, to be submitted to the Board.

The Chairperson is also reserved the duties and powers conferred on her by:

- the "*Rules for the functioning and organisation of the Board of Directors of Italgas S.p.A.*" approved by the Board; and
- the "*Guidelines of the Internal Control and Risk Management System of the Italgas Group*" approved by the Board.

ANNEX 5- BIOGRAPHIES OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS

GIULIA PUSTERLA



Chairperson of the Board of Statutory Auditors

Date of first appointment
26 April 2022

Number of other positions as Director or Statutory Auditor in other companies, relevant for the purposes of the Consob regulation

19

Slate drawn from

Slate submitted by the shareholder Inarcassa (Cassa Nazionale di Previdenza ed Assistenza per gli Ingegneri ed Architetti Liberi Professionisti), representing 1.3745% of the capital of Italgas (minority slate).

Born in Como on 12 February 1960.

She graduated in Business and Economics from the L. Bocconi University of Milan. She is a member of the Association of Chartered Accountants of Como and is enrolled in the Register of External Auditors.

She has held important positions as Chairperson of the Association of Chartered Accountants of Como (2003-2007), member of the National Council of Chartered Accountants and Auditors and of the Executive Committee of that same National Council, and member of the Higher Council of the Research Institute of Chartered Accountants and Auditors (2008-2012).

She was also a member of the Management Council of OIV, and of the Council of "Insol Europe", a European association studying problems connected to company crises and recovery.

She is currently the owner of an office specialised in company crises and recovery, corporate and tax consultancy and corporate governance.

She is also a member of the Boards of Directors and Statutory Auditors of listed companies. Among listed companies she is independent Director and Chairperson of the Control and Risk Committee of Risanamento S.p.A and Chairperson of the Board of Statutory Auditors of Italgas S.p.A.

She also holds the position of extraordinary commissioner in the extraordinary administration procedures of some companies and of commissioner and official receiver, trustee and sales delegate for Como Court of Law and technical advisor to the Judge and Public Prosecutor with the Prosecutor's Offices of Como and Milan.

She was independent councillor for the budget, financial and tax policies, investments and equal opportunities for the Municipality of Como.

MAURIZIO DI MARCOTULLIO



Standing Auditor

Date of first appointment
4 April 2019

Number of
other positions
as Director
or Statutory
Auditor in other
companies,
relevant for
the purposes
of the Consob
regulation

6

Slate drawn from

Slate submitted by the shareholder
CDP Reti S.p.A. representing
26.009% of Italgas' share capital
(majority slate).

Born in Tivoli on 24 May 1967.

Chartered Accountant, member of the Association of Chartered Accountants of Rome and enrolled on the Register of External Auditors.

He has gained significant experience working with leading tax consulting firms.

He practises as a Chartered Accountant in the following areas: national and international tax planning, taxation of extraordinary transactions, business appraisals and valuations, wealth management, taxation of renewable energy, real estate tax.

He is an expert in contract negotiations for M&A transactions and company law. He assists private equity funds in investment transactions.

He is a Statutory Auditor and on the board of directors of joint stock companies, including listed companies.

PAOLA MARIA MAIORANA



Standing Auditor

Date of first appointment
26 April 2022

Number of
other positions
as Director
or Statutory
Auditor in other
companies,
relevant for
the purposes
of the Consob
regulation

1

Slate drawn from

Slate submitted by the shareholder
CDP Reti S.p.A. representing
26.009% of Italgas' share capital
(majority slate).

Born in Messina on 28 June 1965.

She graduated with full marks in Business Administration from the L. Bocconi University in Milan.

She is a Chartered Accountant and Auditor. She has acquired considerable skills in the Capital Markets area, and can claim significant experience in complex transactions such as IPOs, increase in capital and the issue of bonds, take-over bids, M&A transactions, mergers and demergers.

She has also performed important auditing activities for national and international customers, some listed on the stock exchange, mainly referred to the Consumer and Industrial Markets sector.

In 1989 she joined KPMG S.p.A., and has been a partner since 2001. She is responsible for the Capital Markets activities of the KPMG Italia network and KPMG representative for relations with the Italian Stock Exchange and Consob for listing companies and extraordinary finance transactions.

She is also head of the Capital Markets Research Group of ASSIREVI.

She held the position of Standing Auditor in Telecom Italia S.p.A. (2015-2017) and Chair of the Board of Statutory Auditors of Moleskine S.p.A. (2013-2017). She is currently Standing Auditor at Zurich Investments Life S.p.A.

GLOSSARY

Shares: the ordinary shares issued by Italgas.

Borsa Italiana: Borsa Italiana S.p.A..

CDP: Cassa Depositi e Prestiti S.p.A..

CDP Reti: CDP Reti S.p.A., a company subject to management and coordination by CDP.

CEO/Chief Executive Officer: main person responsible for the management of the company, in charge of setting up and maintaining Italgas' Internal Control and Risk Management System.

Antitrust Code: the Antitrust Code of Conduct adopted by the Board of Directors on 18 October 2016 and updated on 27 July 2020 (following such latest update renamed the "Antitrust and Consumer Protection Code of Conduct").

Italian Civil Code/ c.c.: the Italian Civil Code, approved through Royal Decree no. 262 of 16 March 1942 (as later amended).

Corporate Governance Code/CG Code: the Corporate Governance Code approved in January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., the ABI, Ania, Assogestioni, Assonime and Confindustria.

Code of Ethics: the Code of Ethics adopted by the Board of Directors on 18 October 2016 and updated on 24 January 2019, 16 December 2021 as well as on 14 December 2022.

Associates/Associate Companies: the following associate companies of Italgas pursuant to the applicable regulations:

- Metano Sant'Angelo Lodigiano S.p.A.;
- Umbria Distribuzione Gas S.p.A.;
- Enerpaper S.r.l.;
- Gesam Reti S.p.A.;
- Energie Rete Gas S.r.l.;
- Acqualatina S.p.A.;
- Siciliacque S.p.A.

Committees: the Committees set up within the Board of Directors pursuant to Article 13.8 of the By-Laws.

Board/Board of Directors: the Board of Directors of Italgas.

Subsidiaries/Subsidiary Companies: the following subsidiaries of Italgas pursuant to the applicable regulations:

- Italgas Reti S.p.A.;
- Nepta S.p.A.;
- Acqua S.r.l.
- Idrolatina S.r.l.
- Idrosicilia S.p.A.
- Italgas Newco S.p.A.;
- Geoside S.p.A.;
- Medea S.p.A.;
- Toscana Energia S.p.A.;
- Bludigit S.p.A.;
- Immogas S.r.l.;

- Enaon Sustainable Networks Single Member S.A.;
- Enaon EDA Hellenic Gas Distribution Company Single Member S.A.

Officer responsible: the Officer responsible for the preparation of financial reports pursuant to Article 154-bis of the CLF.

Issuer or the Company or Italgas: Italgas S.p.A..

Financial year: the Italgas financial year ended 31 December 2023 to which the Report refers.

Group/Italgas Group: the corporate group headed by Italgas, which includes, in addition to Italgas, Italgas Reti S.p.A., Italgas Newco S.p.A., Nepta S.p.A., Acqua S.r.l., Idrosicilia S.p.A., Idrolatina S.r.l., Geoside S.p.A., Medea S.p.A., Toscana Energia S.p.A., Bludigit S.p.A. Immogas S.r.l., Enaon Sustainable Networks Single Member S.A. and Enaon EDA Hellenic Gas Distribution Company Single Member S.A.

Model 231: the organisational and management model adopted by the Company pursuant to Legislative Decree no. 231 of 8 June 2001 (Rules governing administrative responsibility of legal entities, companies and associations, including those without legal personality).

Unbundling Regulation: the legal provisions on functional, ownership and accounting unbundling that apply to all Italian businesses in the electricity and gas sectors, including (merely by way of example):

- Directive 2009/73/EC;
- Legislative Decree no. 93 of 1 June 2011;
- Prime Ministerial Decree of 25 May 2012 concerning "Criteria, terms and conditions for the adoption by Snam S.p.A. of the ownership unbundling model pursuant to Article 15 of Law no. 27 of 24 March 2012";
- resolution of 22 May 2014 (231/2014/R/com) of the Electricity, Gas and Water System Authority;
- Consolidated Law on Functional Unbundling ("TIUF"), annexed to resolution 296/2015/R/com of the Regulatory Authority for Energy, Networks and the Environment.

Italgas Separation Transaction: the entire transaction of the industrial and corporate reorganisation of Snam, executed on 7 November 2016, aimed at separating the gas distribution business in Italy, carried out by Italgas, from the LNG, transportation, dispatching and storage businesses in Italy and abroad.

Supervisory Body/SB: the body called upon to supervise the operation of and compliance with Model 231 and to deal with its updating.

Italgas Shareholders' Agreement: the shareholders' agreement signed on 20 October 2016 by Snam, CDP Reti and CDP Gas, as later amended.

SGEL Shareholders' Agreement: the shareholders' agreement signed on 27 November 2014 by CDP, on the one hand, and State Grid Europe Limited and State Grid International Development Limited, on the other, amended and supplemented on 7 November 2016, with effect from such date.

Diversity of Corporate Bodies Policy: the policy describing, including pursuant to art. 123-bis, letter d-bis, CLF, company policies on diversity (as well as the relative objectives and methods of implementation), approved by the Board of Directors on 24 January 2019 after consulting the Appointments and Compensation Committee and lastly updated on 13 June 2023.

Policy on dialogue with all shareholders: the "Policy for managing dialogue with all shareholders" adopted on 18 December 2020 by the Board of Directors at the proposal of the Chairperson in agreement with the Chief Executive Officer, so as to encourage a frank and constant dialogue with all the Company Shareholders and in compliance with the recommendations made by the CG Code (art. 1., Recommendation 3).

Market Abuse Procedures: the inside Information, insider list and internal dealing procedures which from 13 December 2018 replaced the single procedure on the matter of market abuse originally approved by the Board of Directors on 5 September 2016, as subsequently amended.

Italgas Related-Party Transactions Procedure: the procedure on transactions involving the interests of Directors and Statutory Auditors and related-party transactions approved by the Board of Directors on 18 October 2016 and updated on 14 December 2017, and most recently on 14 June 2021.

Whistleblowing Procedure: the procedure that establishes a codified system for the collection, analysis, verification and reporting of notifications, anonymous or otherwise, received by Italgas and its subsidiaries, approved by the Board of Directors on 18 October 2016 as subsequently amended.

Shareholders' Meeting Regulation: the Regulation of the Shareholders' Meetings adopted by the Ordinary Shareholders' Meeting on 4 August 2016.

Issuers' Regulations: the Regulation issued by Consob through Resolution no. 11971 of 1999 (as later amended) on the subject of issuers.

Market Regulation: the Regulation issued by Consob through Resolution no. 20249 of 2017 (as later amended) on the subject of markets.

Consob Related-Party Regulation: the Regulation issued by Consob through Resolution no. 17221 of 12 March 2010 (as later amended) on related-party transactions, implementing Article 2391-bis of the Italian Civil Code.

Report: the report on corporate governance and the ownership structure of Italgas pursuant to Article 123-bis of the TUF.

Remuneration Report/Report on Remuneration: Report on the remuneration policy and compensation paid prepared by the Company pursuant to Article 123-ter of the CLF.

SGEL: State Grid Europe Limited.

SGID: State Grid International Development Limited.

Internal Control and Risk Management System: the internal control and risk management system adopted by Italgas pursuant to Article 6 of the CG Code.

Corporate Reporting Internal Control System/SCIS: the internal control and risk management system in relation to the financial and non-financial reporting process of the Italgas Group.

Snam: Snam S.p.A..

By-Laws: the by-laws of Italgas S.p.A.

CLF/ Legislative Decree no. 58/1998: Legislative Decree no. 58 of 24 February 1998 (as later amended).

EXECUTIVE SUMMARY – ADHESION TO THE CORPORATE GOVERNANCE CODE

2020 CORPORATE GOVERNANCE CODE			APPLICATION	REFERENCE SECTION CG REPORT
Art. 1 Role of the board of directors	PRINCIPLES	I	✓	1.6
		II	✓	1.6
		III	✓	1.5
		IV	✓	13
	RECOMMENDATIONS	1 - lett. a), b), c), d), e)	✓	4.1
		1 - lett. f)	✓	4.5, 5
		2	✓	4.1
		3	✓	13
Art. 2 Composition of corporate bodies	PRINCIPLES	V	✓	4.3(a)
		VI	✓	4.3(a)
		VII	✓	4.3(a)
		VIII	✓	12.3(a)
	RECOMMENDATIONS	4	✓	4.1, 10.2
		5 - Paragraph One	✓	4.3(a)
		5 - Paragraph Two	✓	4.3(a)
		5 - Paragraph Three	—	4.3(a)
		5 - Paragraph Four	✗	4.7
		5 - Paragraph Five	✓	4.7
		6	✓	4.7
		7 - Paragraph One	✓	4.7
		7 - Paragraph Two	✓	4.7
		8	✓	4.3(a), 12.3(a)
		9	✓	12.3(a)
		10	✓	4.7, 12.3(a)

2020 CORPORATE GOVERNANCE CODE			APPLICATION	REFERENCE SECTION CG REPORT
Art. 3 Functioning of the board of directors and role of the Chairperson	PRINCIPLES	IX	✓	4.4
		X	✓	4.5
		XI	✓	6, 7, 8, 9
		XII	✓	4.4
	RECOMMENDATIONS	11	✓	4.4
		12	✓	4.5
		13	✓	4.7(b)
		14	✓	4.7(b)
		15	✓	4.3
		16	✓	6, 7, 8, 9
		17	✓	6, 7, 8, 9
		18	✓	4.5
Art. 4 Appointment of Directors and board self-assessment	PRINCIPLES	XIII	✓	4.3, 7
		XIV	✓	7.1
	RECOMMENDATIONS	19	✓	7.4.2
		20	✓	7.4.1
		21	✓	7.1
		22	✓	7.1
		23	✓	4.3(a), 7.1
		24	✓	7.2

2020 CORPORATE GOVERNANCE CODE			APPLICATION	REFERENCE SECTION CG REPORT
Art. 5 Remuneration	PRINCIPLES	XV	✓	1.6, 7.3
		XVI	✓	7.3
		XVII	✓	7.3
	RECOMMENDATIONS	25	✓	7.4.2
		26	✓	7.4
		27	✓	7.3 and Remuneration Report
		28	✗	7.3 and Remuneration Report
		29	✓	7.3 and Remuneration Report
		30	✓	7.3 and Remuneration Report
		31	✓	2.10, 7.3
Art. 6 Internal control and risk management system	PRINCIPLES	XVIII	✓	10.1(a, b)
		XIX	✓	10.1(a, b)
		XX	✓	10.1(e)
	RECOMMENDATIONS	32	✓	10.1(c)
		33	✓	8.2, 10.1(e), 10.3, 15.1
		34	✓	10.2
		35	✓	8.1, 8.2
		36	✓	10.3
		37	✓	8.1, 10.8, 11

Legend:

✓ Applied

✗ Not applied

— Not applicable



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