

COP29: Italgas and SOCAR Sign a Cooperation Agreement for the Gas Distribution Sector

Baku (Azerbaijan), November 12, 2024 – Italgas and SOCAR (State Oil Company of the Azerbaijan Republic) signed a Cooperation Agreement today at COP29, renewing and strengthening the collaboration between the two industrial groups.

The agreement, signed by **Paolo Gallo**, CEO of Italgas, and **Elshad Nassirov**, SOCAR Vice President responsible for gas, consolidates a strategic partnership aimed at promoting innovation, efficiency, and sustainability in the gas distribution sector.

Key areas of collaboration include the exchange of best practices and technologies to accelerate the energy transition and digitalization, with a particular emphasis on decarbonizing infrastructure through gas leak detection using Picarro technology, as well as process digitalization through the agile methodology, which has been in place at Italgas's digital factory—the group's hub for digital transformation—since 2018.

The agreement stems from the existing partnership between Bludigit, Italgas's Digital Company, and Azerigas Production Union, the entity responsible for natural gas distribution and sales in the Republic of Azerbaijan, aimed at identifying leaks in Azerbaijan's gas network and reducing emissions within the distribution sector. To this end, Picarro's CRDS (Cavity Ring-Down Spectroscopy) technology is already being used in a pilot phase, alongside data analysis, to enhance effectiveness and timeliness in detecting leaks, including minor ones, and to guide preventive maintenance actions for the network.

*"We strongly believe in the value of cooperation and global dialogue as key accelerators on the path to net zero - **stated Paolo Gallo, CEO of Italgas** -. We are excited to embark on this partnership with SOCAR, a company that, like us, views technological innovation and sustainability as fundamental pillars of growth. In this context, the agreement holds strategic significance, as it will enable us to expand resources dedicated to breakthrough solution development and explore new technologies, further strengthening our globally recognized leadership in the gas distribution sector".*

*"We are pleased to deepen our collaboration with Italgas, a company that shares SOCAR's commitment to innovation and sustainability - **stated SOCAR** -. This agreement represents an important milestone in our journey towards a net-zero future, allowing us to integrate advanced technologies like Picarro's CRDS into our gas distribution infrastructure. By*

enhancing our capabilities in leak detection and digitalization, we are not only improving efficiency but also contributing significantly to emissions reduction across the network".

The awareness of the importance of reducing emissions across the entire gas infrastructure chain, essential for advancing towards a net-zero economy, will be the central theme of the event organized by Italgas on November 15 at the Italian Pavilion at COP29. This debate, titled "Methane Emissions in the Global Path to Net Zero: Infrastructure as a Catalyst for Sustainable Gas Trade," will involve institutional figures, representatives from think tanks, NGOs, and industry operators. The discussion will focus on the urgency of containing methane emissions to combat climate change, exploring industrial, financial, and policy strategies applicable to each component of the infrastructure chain, with a particular focus on developing countries.

Among the speakers, Pier Lorenzo Dell'Orco, CEO of Italgas Reti, will outline the transformation journey of the Italgas Group into a network tech company and its leadership in monitoring and reducing methane emissions. Professor Francesco Corvaro, Special Envoy for Climate Change of the Italian government, will present Italy's commitment as a strategic player and the contribution of "international champion" companies in sharing best practices.