Capacity Building

The Sustainable Value Creation Programme for Italgas suppliers

The **Sustainable Value** Creation Programme for **Italgas Suppliers**, called "**Capacity Building**", was created in line with the objectives of the Group's Sustainable Value Creation Plan, an innovative model that, starting from the analysis of the challenges posed by the evolution of the external context, identifies actions that generate a positive impact on the capital we draw on. We are committed to unlocking the potential of the companies that work with us, fostering a common culture and ambition. This approach embraces the main challenges of **sustainability**, from **energy efficiency** to the fight against climate change, from **human rights** to health and safety, up to diversity, equity and inclusion, without neglecting **cybersecurity**.
We spread good practices along our supply chain, so that the principles of sustainability are respected within the Supply Chain.

Objective of the Programme

The main objective of the Program is to **support our Suppliers in their growth** along the pillars of **environmental, social and governance sustainability**, with an **economic/financial focus** in accordance with the Sustainable Value Creation Plan and, in particular, to:

- improve the ESG performance of the Italgas Group's suppliers;
- be ready for future ESG obligations under the new European regulations e.g., Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD);
- identify, manage and mitigate the possible negative impacts associated with its business activities;
- generate a positive, measurable and extensive impact along the entire Supply Chain and spread throughout the territory;
- consolidate and expand a network of companies aimed at enhancing and promoting virtuous behaviors and best practices.

Who is it for?

Access is open to all suppliers registered in the Group's supplier register and invited by Italgas, given that they meet the following requirements:

- have completed the ESG questionnaire, required during the qualification phase, with a score available and at least equal to the minimum score required by Italgas, updated with the frequency provided by the questionnaire provider (e.g., 12 months);
- be qualified in the Italgas supplier register prior to the date of the application for membership;
- have at least one contract in progress prior to the invitation to participate by Italgas;
- have their registered office in Europe.

Access to the Programme is subject to the validation of the supplier's request for admission by Italgas.

How it is structured

The Programme is developed along a path characterised by several stages that include:

- invitation to participate in the Program;
- request for membership by the supplier, with the signing of the Programme Regulations and the presentation of any projects already started or in the planning phase and areas of interest consistent with the areas of the Programme;
- approval of participation by Italgas;
- sottoscrizione del Regolamento del Programma;
- assignment of the cluster to which it belongs according to its ESG rating ("Leading" for suppliers with ESG ratings between A and B, "Evolving" if between C and D) and joint definition of a path of improvement objectives along the areas of the Program;
- joint definition of the roadmap for achieving the assigned targets and the related set of levers and tools made available within the Programme, to achieve the objectives within the set timeframe;
- periodic monitoring and alignment of the results achieved with a view to continuous improvement.

More details about the process of joining and participating in the Program can be found in the Capacity Building Regulations.

Why partecipate?

The main benefits of joining the Programme include:

- Regulatory compliance - prepare for future regulatory obligations of new European regulations, gaining a competitive advantage;
- Networking - become part of a network of comparable and virtuous companies and compare themselves with industry best practices;
- Positive impact on the territory - consolidate its presence and reputation as a virtuous company in the area, through ESG initiatives aimed at identifying solutions to common challenges;
- Agreements - possibility of accessing services such as training, guidance on best practices, consultancy affiliated through Partners of the Italgas network. More details about the services made available within the Program can be found in the Capacity Building Regulations;
- Vendor Management - optimization of its performance on the topics addressed in the Program, with the consequent improvement of the ESG rating, an increasingly important aspect in the evaluation of tenders;
- Access to finance - Companies that demonstrate improved ESG performance can access loans at reduced interest rates, increasing funding opportunities.

For more information
write to:
SC_CapacityBuilding@italgas.it