2024 Environmental Data

Emission Reduction Targets

	Percentage of emissions covered by target, referred to base year	Base year	Base year emissions (tonnesCO2eq)	Target year	Percentage reduction targeted (%)	Net-zero target
Scope 1&2 (market-based)* – Absolute target	100%	2020	203’900	2030	-42%	Net zero carbon by 2050
Scope 3 - Absolute target**	98%	2020	202’900	2030	-33%	

The targets indicate an outperformance of the EU benchmark over the same timeframe and are consistent with the long-term objective of limiting climate change and keeping temperature increases well below 1.5°C. Based on analysis conducted by an independent consulting firm, the Scope 1 and 2 emission reduction targets are aligned with the “1.5°C ambition” pathway scenario. As for Scope 3 emission targets, the same firm found them to be aligned with the “Well-below 2°C” scenario, with some analyses even highlighting alignment with “1.5°C scenarios”.

Italgas has developed its targets in accordance with the general methodology of the Science Based Targets Initiative (SBTi), as the specific SBTi methodology for the Oil and Gas sector—applicable to gas distribution—is not yet available. Consequently, it is currently not possible for these targets to be validated by SBTi. We remain committed to obtaining SBTi validation once the relevant criteria become available.

* The perimeter of the targets is the same as the scope of consolidation for financial data as of 30th of June 2024 (excluding Water Sector companies). Any changes following M&As, and ATEM (Minimum Territorial Area) tenders of gas distribution concessions, if relevant, will be considered in the review of the target.

** 100% of supply chain GHG emissions. Categories covered: Capital goods; Purchased goods and services; Upstream transportation and distribution; Waste generated in operations; Upstream leased assets (CDP categories 1,2,4,5,8)

Energy Consumption

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

Total energy consumption	U.O.M.	2020	2021	2022	2023	2024
Total non-renewable energy consumption	MWh	136,889	140,389	110,305	101,389	94,277
Total renewable energy consumption	MWh	27,720	25,636	23,222	16,667	15,834
Data coverage (% revenues)	%	100%	100%	100%	100%	97%

Energy Consumed within the Organisation

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

Total energy consumption	U.O.M.	2020	2021	2022*	2023	2024
Energy consumption	TJ	592.1	597.2	480.7	425.0	396.4
Coverage (% revenues)	%	100%	100%	100%	100%	100%

*Including Greece from September 2022

GHG Emissions and Carbon Intensity

Direct (Scope 1) GHG emissions, Indirect (Scope 2) GHG emissions from energy consumption, Other indirect (Scope 3) GHG emissions, Intensity of GHG emissions

	GRI Standard	U.O.M.	2019[1]	2020	2021	2022	2023	2024
Total Scope 1	305-1	10^3t CO_2e	156.3	173.1	160.5	147.6	149.7	118.7**
Total Scope 2[2]	305-2	10^3t CO_2e	7.5	0.2	0.2	0.5	0.6	0.6
Total Scope 1 and Scope 2		10^3t CO_2e	163.8	173.3	160.7	148.1	150.3	119.3
Total Scope 3 – Supply Chain[3]		10^3t CO_2e	128.3	183.3	147.2	146.3	178.4	86.3**
Total Scope 3[3]	305-3	10^3t CO_2e	136.3	187.9	152.1	150.8	184.4	103.9**
Total Scope 1, Scope 2 and Scope 3 – Supply Chain		10^3t CO_2e	292.1	356.6	307.9	294.4	328.7	205.6
Total Scope 1, Scope 2 and Scope 3		10^3t CO_2e	300.1	361.2	312.8	298.9	334.7	223.2
Carbon intensity[4]	305-4	10^3t CO_2e/10^6Sm^3	20.5	20.4	18.1	18.0	19.0	
Coverage (% revenues)		%	100%	100%	100%	100%	100%	100%

**Including Acqua Campania from February 2024 ; Details on consolidation method and operational boundaries are presented in the Integrated Annual Report 2023 at page 17-18.

1 Data restated with respect to the 2019 Non-Financial Statement. For the value shown in the 2019 Consolidated Non-Financial Statement, please refer to the document published on the Group's website at https://www.italgas.it/wp-content/uploads/sites/2/2021/07/Non-Financial-Statement-2019.pdf

2 2019: Scope II location-based. 2020, 2021,1 and 2022 and 2023: Scope II market-based

3 2020 and 2021 Scope 3 GHG emissions were recalculated using the new methodology applied for 2022 values. For the values shown in the 2021 Consolidated Non-Financial Statement, please refer to the document published on the Group's website at https://www.italgas.it/wp-content/uploads/sites/2/2022/04/2021-Integrated-Annual-Report-format-PDF.pdf

4 Calculated as Scope 1 and Scope 2 emissions / gas distributed.

Gas Leakeage Rate

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

Emissions considered in the calculation of the gas leakage rate are fugitive emissions and venting emissions. Please note that venting emissions are residual (less than 1% of emissions considered for gas leakage rate). Pneumatic or unburned emissions for Italgas Group are included in the calculation of the gas leakage rate but are equal to zero

Gas leakage rate*	Unit	2021	2022	2023	2024
Gas distribution leakage rate	%	0.087	0.087	0.089	0.069
Coverage (% revenues)	%	100%	100%	100%	100%

*Volume of emissions of natural gas / volume of gas distributed
Including Greece from September 2022

Indirect Greenhouse Gas Emissions (Scope 2)

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

IGHG (Scope 2)	Unit	2020	2021	2022	2023	2024
Location-based	metric tonnes of CO2 equivalents	7’300	6’400	6’440	5’600	6’034
Market-based	metric tonnes of CO2 equivalents	200	200	510	600	567
Data coverage (% revenues)	%	100%	100%	100%	100%	97%

Scope 3 – Emissions Classification

Scope 3 – Emissions classification	U.O.M.	2020	2021	2022	2023	2024
Purchased goods and services	10^3t CO_2eq	67.6	47.3	45.10	45.4	39.4
Capital goods	10^3t CO_2eq	118.7	94.5	94.20	122.0	41.4
Fuel-and-energy related activities (not included in scope 1 or 2)	10^3t CO_2eq	4.3	4.1	3.30	4.2	15.6**
Upstream transportation and distribution	10^3t CO_2eq	6.3	3.6	4.80	0.9	0.6
Waste generated in operations	10^3t CO_2eq	7.4	1.4	1.60	9.2	2.4
Business travel	10^3t CO_2eq	0.7	0.8	1.20	1.8	2.0**
Upstream leased assets	10^3t CO_2eq	2.9	0.4	0.60	0.9	2.5
Total	10^3t CO_2eq	207.9	152.1	150.8	184.4	103.9
Coverage		**100**	**100**	**100**	**100**	**100**

Other categories not relevant/applicable for the Group
**Including Acqua Campania from February 2024

Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

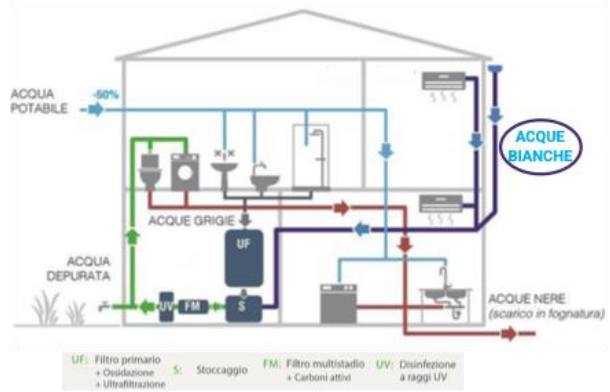
	U.O.M.	2020	2021	2022	2023	2024**
Total	tNO_x	21.7	21.1	16.3	15.8	12.8
Coverage (% revenues)	%	100%	100%	100%	100%	100%

SOx and COV emissions are considered null in all reported years, as they are not significant
**Including Acqua Campania from February 2024

Water Efficiency Management Programs

Within the framework of the Sustainability Ambassador initiative – a corporate program that engages employees as promoters of sustainability within the company – a specific project was launched focusing on Water Efficiency Management Programs. The group of Ambassadors worked to design and implement a campaign aimed at **raising awareness on responsible water use**, combining both communication and concrete actions to **reduce water consumption**. The initiative included awareness training provided to employees on water efficiency management programs through the preparation and distribution of a practical vademecum with tips and recommendations to reduce water waste in daily activities. The vademecum was made visible in different areas of company premises, such as break zones, restrooms, and common spaces, encouraging employees to adopt more sustainable behaviors.

To further strengthen the message, a **company-wide Talk** was organized, offering an opportunity to discuss the importance of water as a shared resource, the risks of overconsumption, and the role that individual actions can play in ensuring greater efficiency. Beyond awareness-raising activities, the working group also explored practical applications of water management solutions. In this context, a feasibility study was initiated for the construction of a rainwater harvesting tank to be used for irrigating the green areas of one of the company's sites. This project represents a concrete example of the **application of water recycling** and illustrates how a circular approach to water can be integrated into corporate practices, linking everyday awareness with long-term solutions.



Water Withdrawals

Data reflect 100% of revenues, 100% of consolidated operations as at 31December of each year, if not specified otherwise.

	U.O.M.	2020	2021	2022	2023	2024
Water withdrawal (excluding saltwater)	Million cubic meters	0.09951	0.07603	0.06907	0.13717	0.07074
Water discharge (excluding saltwater)	Million cubic meters	0.09951	0.07603	0.06907	0.13717	0.07074
Total net fresh water consumption	Million cubic meters	0.00	0.00	0.00	0.00	0.00
Coverage (% revenues)	%	100%	100%	100%	100%	100%

Water Quality Compliance
Nepta Campania

Compliance with water quality/quantity permits, standards and regulations

ARERA Indicators	KPIs	2023	2024	delta %	ARERA target
M2 Service interruption	Hours of service interruption	7.59	2.52	-67%	7.29
M3 Quality of water delivered	Incidence of non-potability decrees	0%	0.42%	–	–
	Samples non-compliance rate	7.48%	1.59%	-78.7%	-6.88%
	Parameters non-compliance rate	0.45%	0.075	–	–

Waste Management Programs

Italgas Group is committed to sustainable waste management through comprehensive programs and action plans that enhance waste performance, reduce waste generation, and promote recycling. Our environmental department periodically assesses and analyzes processes and activities to evaluate and minimize waste generation and monitors performance towards targets. These waste audits help identify areas for improvement and to implement effective waste management practices. In addition, during 2024, Italgas performed specific environmental audit activities on final destination management plants in order to evaluate and analyse the environmental authorization and verify that treatment lines are compliant.

Over the years the Group has distinguished itself for its unique approach on innovation and digitization investments, also with an effort to minimize waste. At the forefront of Italgas Group's innovation efforts are the design and development of a new H2 ready smart meter Nimbus which widespread installation will drive significant investments over the coming years.

The new smart meters were designed and developed with an effort to minimize waste. 85% of the Smart Meter is made recycled materials, including a sustainable recycled polycarbonate casing; and it is smaller, easier to transport and install, contributing significantly to a circular economy system. Further, extending its operating lifetime to 15 years – double that of existing meters – it reduces by 50% the expected substitution rate. Additionally, we focus on qualifying suppliers whose products have the longest possible life cycles, thereby extending the end-of-life period of our equipment and significantly reducing overall waste. Italgas set a target to minimize waste that is related to the installation of new smart meter: "50% of all active smart meters designed according to «Design for environment» criteria in lieu of GPRS meters by 2028".

Furthermore, the Group widespread focus on innovation include a collaborative R&D program with the Polytechnic of Turin to develop a more recyclable battery for smart meters. In addition to this, we are investing on the development of innovative back-filling material for excavation works, facilitating reuse and avoiding waste production. Moreover, on 2024, Italgas started a partnership with the Italian consortium for electronic waste. This agreement allows Italgas to manage the waste of the replacement of smart meters for domestic use, in a dedicated chain with the aim to recover all the materials/items (metal, plastic, batteries etc.) that are contained into the Smart Meter.

In line with these efforts, Italgas Group conducts annual waste reduction training for its employees across all sites. These training sessions focus not only on administrative and mandatory topics, but are designed to raise awareness on waste hierarchy, to guide on effective waste reduction and recovery rate maximization, trends and innovative projects. Moreover, to ensure waste is effectively recovered and reused, we select transporters and destination plants that manage waste in a sustainable way in order to integrate recycling programs to reduce waste sent to landfill. To reinforce this, we have introduced a clause requiring waste management contractors to disclose to Italgas the main categories of waste produced.

Finally, our effort of waste diversion from landfill (specifically regarding waste generated from the substitution of smart meters) is certified by an independent accredited certification company, monitored by the Ministry of Environment, thus highlighting our efforts to maximize sustainable waste management. During 2024, the Italgas Group did not receive any significant sanctions for breaching environmental laws and regulations, just like in the two previous years.

Waste

WASTE	Unit	2020	2021	2022	2023	2024
Total waste recycled/ reused	metric tonnes	559.4	341.1	242.4	378.4	706.8
Total waste disposed	metric tonnes	70.2	11.5	10.6	2.8	5.1
– Waste landfilled	metric tonnes	0	0	4.6	0.3	4.9
– Waste incinerated with energy recovery	metric tonnes	0	0	0	0	0
– Waste incinerated without energy recovery	metric tonnes	0.1	0.3	1.4	0	0
– Waste otherwise disposed	metric tonnes	0	0	0	0	0
– Waste with unknown disposal method	metric tonnes	70.1	11.2	4.6	2.5	0.2
Data coverage (% revenues)	%	100%	100%	100%	100%	97%

Water Consumption

Water Consumption	Units	FY 2024
A. Water withdrawal (excluding saltwater)	Million m³	**0.07074**
Quarry water, collected from quarries		0
Sea water		0
Rainwater collected		0
Water withdrawn from the aqueduct (municipal drinking water)		0.07074
Surface water		0
Underground water		0
External wastewater		0
B. Water discharge (excluding saltwater)		**0.07074**
Discharged in underground water		0
Discharge to sewers		0.07074
Discharged in seawater		0
Discharged in surface water		0
Benefit/other use		0
Sent to other treatment plants		0
Total net fresh water consumption (A-B)		**0**
Water recycled	% volume	**0%**

Water consumption from areas with high water stress

Water Consumption	Units	FY 2024
A. Water withdrawal (excluding saltwater)	Million m³	0.07074
Water withdrawal from stressed areas		0.07074

Italgas gas distribution process does not involve the use of water for industrial purposes, with the exception of the very small quantities used to top up the gas preheating systems, inserted inside the cabins used to reduce the pressure of gas collected from the high pressure gas pipe system, without the presence of industrial drains. Therefore the water consumption is not relevant.

Nevertheless, for the evaluation of the water withdrawals from areas with water stress the WRI acqueduct tool was used (https://www.wri.org/aqueduct) and the Areas with medium - high stress (20-40%) and above were taken into account. Italy and Greece are completely under water stress.

Water management: the impacts, risks and opportunities associated with integrated water management are constantly analysed and monitored to address any threats that could compromise the integrity of the infrastructure and water quality. As far as Italgas' water business is concerned, potential impacts are related to leaks along the distribution network, causing a potential waste of the resource, as well as increased energy consumption due to pumping activities.

Through targeted interventions and advanced technologies such as digitisation, districtisation and innovation, Italgas works to optimise distribution efficiency and ensure that water resources are used sustainably. As part of the Risks and Opportunities assessment, some risks were identified (i.e. water quality not compliant with laws, water scarcity, damage of pipelines with water leakage, temporary disruption of water supply and delivery with interruption beyond 24 hours) but none of these showed levels of likelihood and impact that would classify the events as having substantive effects, nor in the reporting year nor in the future.

Water Incidents of non-compliance

In 2024 there were no incidents associated with water permits, regulations or standards

Incidents of non-compliance	Units	FY 2024
Incidents of non-compliance associated with water permits, regulations or standards	N°	0