2025 Environmental Data

Emission Reduction Targets

Despite the absence of a specific methodology from the Science-Based Targets initiative (SBTi) for the oil and gas sector, in particular for gas distribution, Italgas' targets are nonetheless aligned with the trajectory set out in the SBTi cross-sector approach for a 1.5°C scenario compared with pre-industrial levels, in line with the Paris Agreement.
Italgas remains committed to obtaining formal SBTi validation as soon as the sector methodology is available. In the meantime, the Company obtained confirmation of this alignment from an independent consulting firm (Carbonsink), specialised in the analysis of climate scenarios.
The analysis of alignment with a 1.5° scenario of all the Group's targets (Scope 1 and Scope 2 market-based for gas distribution and the water service, Scope 3 – Supply Chain for both businesses) and of the greenhouse gas emission trajectories was carried out through comparison with the methodologies of the IPCC, the SBTi, the CDP–WWF Temperature Scoring Methodology and the IEA.

Sector	Target	Percentage of emissions covered[3] by target, referred to base year	Base year	Base year emissions (10^3tonCO2eq)	Target year	Percentage reduction targeted (%)	Net-zero target
Gas distribution	Scope 1&2 (market-based)[1] – Absolute target	100%	2020	727.6	2030	-55%	Net zero carbon by 2050 (-90% of Scope 1&2 and Scope 3 - SC)
Gas distribution and Water	Scope 3 - Supply chain[2] - Absolute target	95%	2024	309.0	2030	-24%	

1) The perimeter of the targets is the same as the scope of consolidation for financial data as of 31st of December 2025 (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.
2) 95% of Total Scope 3 emissions. Categories covered: Capital goods; Purchased goods and services; Upstream transportation and distribution; Waste generated in operations; Upstream leased assets (GHG categories 1, 2, 4, 5, 8). These emissions are presented on a pro-forma basis including 2iRG for the full year, consistently with the target perimeter (scope of consolidation as at 31 December 2025). Reported 2024 Scope 3 – Supply Chain emissions, excluding 2iRG (consolidated from 1 April 2025), amount to 224.6 10^3tonCO$_2$eq.
3) In terms of revenues

Energy Consumption

Total energy consumption[1]	U.O.M.	2022	2023	2024	2025
Total non-renewable energy consumption	MWh	110,305	101,389	94,277	119,998
Total renewable energy consumption	MWh	23,222	16,667	15,834	27,360
Data coverage (% revenues)	%	100%	100%	97%	97%
Normalization: *Total non-renewable energy consumption/Revenues*	*MWh/Mln $*	*44.7*	*34.8*	*37.6*	*29.2*

1) Only gas distribution business. Data related to the gas distribution business is a section of the aggregated Group data that has been included in the Italgas Annual Report and is subject to third-party verification, as well.

GHG Emissions and Carbon Intensity

	U.O.M.	2022	2023	2024	2025
Total Scope 1	$10^3 tonCO_2eq$	147.6	149.7	118.7	207.1[4]
Total Scope 2 market-based[1]	$10^3 tonCO_2eq$	0.5	0.6	0.6	0.5
Total Scope 2 location-based[1]	$10^3 tonCO_2eq$	6.440	5.600	6.034	7.404
Total Scope 1 and Scope 2 market-based[1]	$10^3 tonCO_2eq$	148.1	150.3	119.3	207.6
Total Scope 3[2]	$10^3 tonCO_2eq$	150.8	184.4	242.2	285.1
Total Scope 1, Scope 2 market-based and Scope 3 – Supply Chain[1,2]	$10^3 tonCO_2eq$	294.4	328.7	343.9	470.8
Total Scope 1, Scope 2 market-based and Scope 3[1,2]	$10^3 tonCO_2eq$	298.9	334.7	361.5	492.7
Carbon intensity[3]	$10^3 tonCO_2eq/10^6 Sm^3$	18.0	19.0	14.6	23.8
Normalization: *Scope 1/Revenues*	$tonCO_2eq/Mln\ \$$	*59.8*	*51.3*	*45.0*	*49.1*
Normalization: *Scope 2 market-based/Revenues*	$tonCO_2eq/Mln\ \$$	*0.2*	*0.2*	*0.2*	*0.1*
Normalization: *Scope 2 location-based/Revenues*	$tonCO_2eq/Mln\ \$$	*2.6*	*1.9*	*2.4*	*1.8*
Normalization: *Scope 3/Revenues*	$tonCO_2eq/Mln\ \$$	*61.1*	*63.2*	*91.8*	*67.6*

1) Regarding Scope 2, only gas distribution business. Data related to the gas distribution business is a section of the aggregated Group data that has been included in the Italgas Annual Report and is subject to third-party verification, as well. Normalization achieved by considering the revenues of the only gas distribution business: 4,105.2 Mln $ in 2025 and 2,506.3 Mln $ in 2024.
2) Scope 3 – supply chain: in 2024, the data were restated to align the methodology with that adopted in 2025. Specifically, emissions related to categories 1, 2, 4, 5, and 8 were recalculated by: (i) applying emission factors specific to Italy and Greece drawn from the CEDA factors (Scope 1, 2, and 3 with spend-based methodology) and (ii) the use of data provided directly by suppliers (supplier-specific methodology for Scope 1 and 2 emissions), integreted, where necessary, with the Scope 3 component derived from CEDA factors. Furthermore, the restatement of the 2024 data also includes Acqua Campania, which was initially excluded due to methodological discrepancies. Finally, in 2025, the scope of consolidation changed compared to 31 December 2024 following the acquisition of 2i Rete Gas S.p.A. (2iRG), which has been consolidated from 1 April 2025.
3) Calculated as Scope 1 and Scope 2 market-based emissions / gas distributed.
4) Excluding 2i Rete Gas consolidation impact the Scope 1 emissions dropped by 3.7% in 2025 on a constant-perimeter basis.

Gas Leakeage Rate

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

Italgas does not operate in the gas transport and storage business

Gas leakage rate	Unit	2022	2023	2024	2025
Gas distribution leakage rate	%	0.087	0.089	0.069	0.051

1) Volume of emissions of natural gas / volume of gas distributed

Indirect Greenhouse Gas Emissions (Scope 2)

GHG Scope 2[1]	Unit	2022	2023	2024	2025
Scope 2 market-based[2]	$10^3 tonCO_2eq$	0.5	0.6	0.6	0.5
Scope 2 location-based	$10^3 tonCO_2eq$	6.440	5.600	6.034	7.404
Data coverage (% revenues)	%	100%	100%	97%	97%

1) Only gas distribution business. Data related to the gas distribution business is a section of the aggregated Group data that has been included in the Italgas Annual Report and is subject to third-party verification, as well
2) Excluding 2i Rete Gas and and the water companies consolidation impact the Scope 2 market-based emissions dropped in 2025 by -17.8% on a constant-perimeter basis.

Scope 3 – Emissions Classification

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

Scope 3 – Emissions classification	U.O.M.	2022	2023	2024	2025
Purchased goods and services	10^3t CO_2eq	45.10	45.4	103.0	93.1
Capital goods	10^3t CO_2eq	94.20	122.0	109.5	158.6
Fuel-and-energy related activities (not included in scope 1 or 2)	10^3t CO_2eq	3.30	4.2	15.6	20.1
Upstream transportation and distribution	10^3t CO_2eq	4.80	0.9	2.7	5.5
Waste generated in operations	10^3t CO_2eq	1.60	9.2	5.4	2.8
Business travel	10^3t CO_2eq	1.20	1.8	2.0	1.8
Upstream leased assets	10^3t CO_2eq	0.60	0.9	4.0	3.1
Total	10^3t CO_2eq	150.8	184.4	242.2	285.1
Coverage	%	100	100	100	100

Other categories not relevant/applicable for the Group, their value is therefore zero for this public disclosure

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.
SOx and COV emissions are considered null in all reported years, as they are not significant

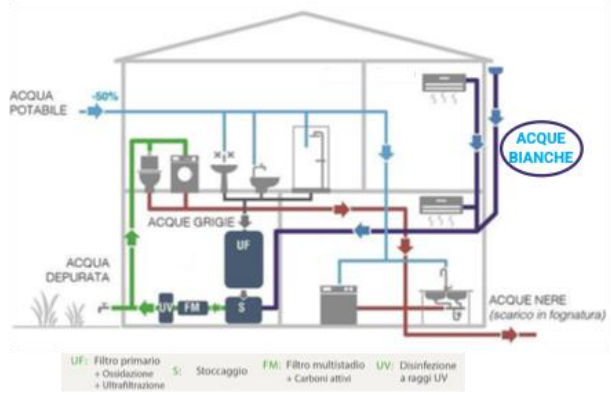
	U.O.M.	2022	2023	2024	2025
Total	tonNO_x	16.3	15.8	12.8	26.2
Coverage (% revenues)	%	100%	100%	100%	100%
Normalization: *NOx/Revenues*	tonNOx/Mln $	0.007	0.005	0.005	0.006

SOx and COV emissions are considered null in all reported years, as they are not significant

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. Building on this initiative, the Sustainability Ambassadors working **group is evaluating the scalability of circular water solutions to additional company sites**, in line with the Group's broader commitment to integrating water resource management into business practices (Water Resource Management Policy, IAR 2025)



Water Withdrawals

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

	U.O.M.	2022	2023	2024	2025
Water withdrawal (excluding saltwater)	Million cubic meters	0.06907	0.13717	0.07074	0.059
Water discharge (excluding saltwater)	Million cubic meters	0.06907	0.13717	0.07074	0.059
Total net fresh water consumption	Million cubic meters	0.00	0.00	0.00	0.00
Coverage (% revenues)	%	100%	100%	100%	100%

Water Consumption

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

Water Consumption	Units	2024	2025
A. Water withdrawal (excluding saltwater)	Million m³	**0.07074**	**0.059**
Quarry water, collected from quarries		0	0
Sea water		0	0
Rainwater collected		0	0
Water withdrawn from the aqueduct (municipal drinking water)		0.07074	0.059
Surface water		0	0
Underground water		0	0
External wastewater		0	0
B. Water discharge (excluding saltwater)		**0.07074**	**0.059**
Discharged in underground water		0	0
Discharge to sewers		0.07074	0.059
Discharged in seawater		0	0
Discharged in surface water		0	0
Benefit/other use		0	0
Sent to other treatment plants		0	0
Total net fresh water consumption (A-B)		**0**	**0**
Water recycled	% volume	**0%**	**0%**

Waste Management Programs

Italgas 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, in 2025 and 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's innovation efforts are the design and development of a new H2 ready smart meter Nimbus. 60% 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: "6 millions «Nimbus» gas smart meters installed, designed according to "Design for environment" criteria, by 2030", testing installation started in 2025. Moreover, it set also a target of "maintain every year 96-99% of waste recovery for Italgas and its contractors (annual target)". Both are included in the Sustainable Value Creation Plan.

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 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. In 2025 over 938 hours of training on waste reduction provided to employees have been provided, involving over 583 employees. 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 2025, the Italgas did not receive any significant sanctions for breaching environmental laws and regulations, like in the two previous years.

Waste

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

WASTE[1]	Unit	2022	2023	2024	2025
Total waste recycled/ reused	metric tonnes	242.4	378.4	706.8	958.1
Total waste disposed	metric tonnes	10.6	2.8	5.1	1.3
– Waste landfilled	metric tonnes	4.6	0.3	4.9	0.5
– Waste incinerated with energy recovery	metric tonnes	0	0	0	0
– Waste incinerated without energy recovery	metric tonnes	1.4	0	0	0
– Waste otherwise disposed	metric tonnes	0	0	0	0
– Waste with unknown disposal method	metric tonnes	4.6	2.5	0.2	0.8
Data coverage (% revenues)	%	100%	100%	97%	97%
Normalization: *Total waste disposed /Revenues*	kg/*Mln $*	*4.3*	*1.0*	*2.0*	*0.3*

1) Only gas distribution business. Data related to the gas distribution business is a section of the aggregated Group data that has been included in the Italgas Annual Report and is subject to third-party verification, as well.

Climate Risk Management – abstract from CDP 2025 questionnaire, 2.2.2 and 3.3.1

2.2.2 Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Environmental Issue: Climate Change

Integrated into multi-disciplinary organization-wide risk management process

Value chain stages covered
- Upstream value chain
- Direct operations
- End of life management
- Downstream value chain

Time horizons covered
- Medium-term
- Short-term
- Long-term

Risk types and criteria considered
- Acute physical: Drought
- Liability: Non-compliance with regulations [Legal]
- Chronic physical: Increased severity of extreme weather events
- Market: Availability and/or increased cost of certified sustainable material
- Policy: Changes to national legislation [current regulation]
- Market: Changing customer behavior
- Technology: Transition to lower emissions technology and products
- Reputation: Impact on human health
- Liability: Exposure to litigation

[...]

3.3.1

For Types of Climate-related Risk Included in Risk Assessment see Risk 2 related to Emerging Regulation

Physical Climate Risk Adaptation (1/4)

All the specific actions presented below are part of a context-specific adaptation plan: they address the material physical climate risks identified through the Group's climate risk assessment, which is performed at local level (up to municipal level) for the areas served by Italgas, and they integrate physical measures (e.g. network replacement, remote control, sensors) and non-physical measures (e.g. digital monitoring, predictive maintenance, emergency procedures) to reduce those risks on a best-effort basis.

Coverage: the risk assessment and the adaptation plan cover 100% of the Group's existing operations (gas distribution in Italy, including the former 2i Rete Gas assets acquired in April 2025, gas distribution in Greece and water services) and 100% of new operations. For new assets, adaptation solutions reducing the main climate risks are incorporated in the design and construction phases; for existing assets, measures are implemented within the timeframe of the Strategic Plan, with the key actions planned to be completed within five years (e.g. DANA 100% of the network by 2027 in Italy).

Coherently with the targets of the Strategic Plan, which incorporates the Group's Transition Plan, and the climate scenario analysis outcomes, the Group has identified and is currently implementing a set of specific actions that enable the adaptation to climate change, in order to anticipate the adverse effects of climate change and to take appropriate action to prevent and/or minimize the damage it can cause.

Physical Climate Risk Adaptation (2/4)

Network: mitigating impacts and/or reducing time of intervention in case of occurrence of extreme natural events (e.g. floods, heavy rainfall, landslides, fires)

- Replacement of grey cast iron with hemp and lead joints: constantly recurring for the constant perimeter gas business and extension to former 2iRG network. The repurposing of the network sees, among other things, the full replacement of grey cast iron and other obsolete materials pipes with new ones to prepare the network to handle different types and blends of gases and be more effective in coupling with the consequences of climate change, together with the installation of remote controls in case of occurrence of extreme climate events, mitigating impacts and/ or reducing time of intervention (e.g., remotely securing network portions in case of floods, fires).
- DANA – Digital Advanced Network Automation – the command-and-control system of the network of the future Timeline: – 2021: Project Launch (status: completed); – 2022: Installation on 21 distribution plant Italgas Reti and on 59 distribution plant MEDEA (status: completed); – 2025: Italgas Reti network in Italy fully digitised and remote-controlled through DANA (status: completed); – 2026: 100% of the network in Greece (Enaon); – 2027: 100% of the network in Italy, including the former 2i Rete Gas assets acquired in 2025. The command-and-control system unlocks 3 major benefits: i) Ensure the 24/7 monitoring of a distributed system in which physical variables are interdependent; ii) Enable remote management with commands on main processes of network and plants and increase the efficiency of the governed processes and the flexibility of the network; iii) Enable management of renewable gases (e.g., biomethane, hydrogen). By enabling faster incident response and predictive maintenance, and through new AI and digital twin functionalities, DANA strengthens network resilience to increasing climate-related physical risks. It is a practical example of Italgas' adaptation to climate risks.
- Radio Frequency Identification Markers in new networks Timeline: – 2019: first installation (completed); – currently ongoing. The new distribution networks are equipped with RFID markers, again positioned inside the excavation at an average step of 1 every 50 metres, which allow for the traceability and localisation of the pipes directly from the road level without any need for invasive interventions in the subsoil and consequent interference with traffic. In case of adverse meteorological phenomena impacting the network, this represents an effective adaptation tool allowing to intervene quickly.

Physical Climate Risk Adaptation (3/4)

– Smart maintenance initiative Timeline: – 2022: release of an initial prototype (completed); – 2023–2024: roll out plan to all Italgas distribution plants (constantly recurring for the Italgas Reti perimeter); – from 2025 extension to the former 2iRG and Enaon networks Digitization increases efficiency, improves safety, network management and the quality of the service, enables predictive maintenance, for more effective control of the operating parameters, and helps to guarantee operation under any conditions. In 2021, the development of a Geographic Information System (GIS) was started in collaboration with Picarro, of a GIS model for asset management used to design smart maintenance for the Italgas networks, with a view to extension to Group level thereafter. Continuing with the enabling of smart maintenance, new solutions have been introduced based on machine learning and AI for predictive analysis and the optimisation of the function of critical components of the network, such as smart meters and the odorisation stations.

Real Estate: reducing office energy consumptions, mitigating the impact of an increase of annual average temperature (that would otherwise result in an increase of energy consumption)

– Building renovation Timeline: 2023-2031 (ongoing) The virtuous reduction of civil consumption, now an integral part of real estate management, continues along the following lines: –the process to renew building stock; –installation of photovoltaic systems to increase the amount of electricity self-produced and consumed on site; –extension to all the Group's operating sites, including those of newly acquired companies, of the ability to monitor consumption in real time and analyse it using the proprietary platform developed by Geoside, thanks to introduction of smart sensors. The plan includes the new buildings following 2iRG acquisition.

Water leakages: reducing water leakages, mitigating the impact of an increase in average annual temperature and of drought/water stress (which would otherwise lead to a decrease in the volume of available water)

– Digital transformation for Water Business Timeline: 2023-2029 Water smart meters, network (DMAs) balancing, real-time monitoring and predictive maintenance to improve network operational and energy efficiency and reduce water leakages. In 2023, installation of water smart meters, including real-time pressure sensors, began throughout the network. The subsequent subdivision of the whole network map – necessary to collect precise data on water leakages – will be completed within 2027.

Physical Climate Risk Adaptation (4/4)

Industrial consumption: energy autoproduction to mitigate effects on energy insecurity due to the occurrence of extreme climate events.

– Installation of photovoltaic plants Timeline: 2023-2030 Since 2023, Italgas Reti has been progressively replacing traditional circulators with inverter-driven electro- circulators inside thermal power plants for preheating, revamping existing photovoltaic plants with more efficient modules, as well as carrying out new installations of photovoltaic plants on both IPRMs and GRFDs, to ensure the self-production of the electricity needed to satisfy the needs of the new digitised plants.

Climate Risk Assessment – Physical and transitional risks: given the long timeframe that must be considered to fully take into the account of occurrence and/or impact of climate risks and opportunities, such events are measured both over the Strategic Plan 7-years' timeframe and beyond it (short term: 1 year; medium term: 2-5 years; long term: more than 5 years), within the Group's Enterprise Risk Management process. Regarding Physical risks and opportunities of Climate Change, our climate scenario analysis is based on a third-party climate model that allows to obtain the evolution of main physical parameters up to 2050, under RCP 1.9, 2.6, 4.5, 8.5 scenarios in all the local areas (up to municipal level) already served by Italgas, including the former 2i Rete Gas areas, or in those areas the Group plans to serve in the future. Physical parameters considered by the model include, for example, heating degree days, days with heavy rainfalls and water stress. Their potential impacts are then assessed on key business variables (e.g. active redelivery points), as well as considering potential damages to overall gas infrastructure (upstream and downstream relative to distribution). The list of risks considered is compared with Appendix A, Annex I of Delegated Regulation (EU) 2021/2139 (EU Taxonomy); taking into account the mitigation and adaptation actions implemented, physical risks are assessed as low. Regarding Transition risks and opportunities of Climate Change, they are analyzed based on several third parties' climate and energy scenarios up to 2050 and involving key Process Owners to deepen key transition drivers (e.g. regulation, technology) and the embedded risks and opportunities. Considerations of impacts include the overall gas infrastructure (upstream and downstream related to distribution).

Net Zero Transition Plan

Italgas has adopted a Climate Transition Plan integrated into the Group Strategic Plan 2025–2031 and aligned with the Paris Agreement goal of limiting global warming to 1.5°C. It targets Net Zero Carbon by 2050 for Scope 1, Scope 2 (market-based) and Scope 3 – Supply Chain emissions, with interim 2030 emission-reduction and energy-consumption targets for the gas distribution and water service businesses.

The Transition Plan assumes growing demand for renewable gases such as biomethane and hydrogen, continued regulatory support for decarbonization, technological advances that improve the efficiency and competitiveness of renewable-gas solutions, and adequate financial and human resources.

The Transition Plan is supported by dedicated investments embedded in the Group Strategic Plan 2025-2031. Actions include reducing methane emissions through leak detection and repair, network digitisation and predictive maintenance; improving energy efficiency; procuring certified renewable electricity; integrating renewable and low-carbon gases into the network; decarbonising the fleet; and pursuing future carbon-removal initiatives for residual emissions.

The main decarbonization levers span all emission scopes and the value chain. Scope 1 actions reduce methane emissions through network modernization, leak detection, predictive maintenance and digital asset management. Scope 2 actions combine energy efficiency with certified renewable electricity procurement, while Scope 3 measures promote lower-carbon purchasing and supplier engagement to reduce supply-chain emissions. The Group also enables biomethane, hydrogen and e-methane integration into the network.

In 2025, the Group invested approximately €1.2 billion in CapEx and €0.6 billion in OpEx to support the Climate Transition Plan and the Group Strategic Plan. On a gas-distribution like-for-like basis, Scope 1 and Scope 2 emissions fell by 3.8% and energy consumption by 6.0% compared with 2024. The Group also inspected 141% of the network for gas leaks and sent 97% of waste generated by the Group and its contractors for recovery.

The Group has assessed the Transition Plan’s social implications, identifying potential workforce skill gaps arising from new technologies, green gases and increasing digitalisation. Italgas addresses these impacts through IGAcademy reskilling and upskilling programmes, which delivered over 300,000 training hours in 2025. These initiatives support a just transition by equipping employees for an increasingly decarbonized and digitalized energy system.

Stakeholder engagement supports the Transition Plan. The plan definiton and implementation relies on collaboration and feedback from suppliers, other partners in the value chain like energy-suppliers, end-users, local communities, regulators and public authorities at national and supranational level and industry peers, also through the involvement in industry association. Examples are strategic cooperation with industry peers such as GRDF and Cadent, with industry associations like GD4S and participation in international initiatives including the United Nations Global Compact and OGMP 2.0.

Net Zero Transition Plan – abstract from CDP 2025 questionnaire, 5.2 (1/2)

CDP 5.2

Transition plan
Yes, we have a climate transition plan which aligns with a 1.5°C world
Publicly available climate transition plan
Yes
[....]
Description of key assumptions and dependencies on which the transition plan relies Our Transition Plan is based on several key assumptions and dependencies that are crucial for its success. ASSUMPTIONS The main assumptions include projections about future market trends, regulatory changes, and technological advancements. We assume, according to scenario analysis, that there will be a growing
demand for renewable gases, such as biomethane and hydrogen, in the European energy market, making these energy sources increasingly competitive compared to traditional fossil fuels. We also assume that European Union policies and regulations will continue to support the transition to a low-carbon economy, including incentives for adopting clean technologies and penalties for carbon emissions. Additionally, we expect that technologies for producing and distributing renewable gases, such as Power-to-Gas (P2G), will continue to improve in terms of efficiency and cost. DEPENDENCIES Collaboration with various stakeholders, including suppliers, customers, and local communities, is essential for implementing our transition initiatives.
Adequate financial and human resources are crucial to support research and development activities and implement new technologies. Italgas is significantly investing in resources to support the transition plan. This includes research and development of innovative technologies for producing and distributing renewable gas, training programs for staff to ensure they have the necessary skills to operate new technologies, and strategic partnerships with research institutes, universities, and other companies (in Italy and abroad) in the sector to share knowledge and resources.

Net Zero Transition Plan – abstract from CDP 2025 questionnaire, 5.2 (2/2)

CDP 5.2

Plan conceived and implemented by Italgas over recent years established decarbonization targets to 2050 (with interim targets to 2030), consistent with the 1.5°C global warming scenario and in line with international climate commitments. To reach these goals, the Company has embarked on a comprehensive suite of initiatives designed to reduce energy consumption, minimize greenhouse gas (GHG) emissions and accelerate the digital transformation of its infrastructure. This digital transformation is critical for enabling the safe and efficient integration of renewable gases (including hydrogen, biomethane, and e-methane) into the distribution network, thereby supporting the decarbonization of the energy supply chain. In 2025, compared to the previous reporting period (2024), the Group achieved a 3,8% reduction in emissions (Scope 1&2, Gas distribution, like-for-like basis). The Plan includes a series of initiatives grouped into 12 macro-actions, further articulated into 5 decarbonization levers, supported by targeted investments. In 2025, the Group's total capital expenditures (CapEx) totalled €1.2 billion and operating expenses (OpEx) amounted to €0.6 billion. From an energy efficiency perspective, Italgas pursued both civil and industrial improvements. The company optimized energy systems in office buildings and operational sites while investing in modernizing industrial assets, such as upgrading gas preheating systems at city gates with automated and innovative systems to control gas parameters. In 2025, Italgas recorded a 6.0% reduction in energy consumption compared to 2024 (Gas distribution, like-for-like basis). To reduce GHG emissions, Italgas employed advanced leak detection systems, including Picarro technology, for high-precision inspections and predictive maintenance across its distribution network, enabling swift identification and repair of fugitive emissions. The Company also implemented smart maintenance strategies using data analytics and automation to maximize infrastructure efficiency and reliability. In 2025, 141% of networks were inspected for gas leaks (versus 154% in 2024 on a like-for-like basis). The transition plan integrates circular economy principles by targeting reductions in waste sent for disposal. In 2025, 97% of the waste generated by the Italgas Group and its contractors was sent for recovery. Additionally, given Italgas' presence in the water transport and distribution sectors, the plan includes targets for the integrated water service business, focusing on energy consumption and GHG emissions reduction through network and plant digitalization, automation, and large-scale replacement of pipes and connections. These actions are expected to improve operational efficiency, reliability and sustainability across Italgas' water and gas businesses, supporting the Group in complying with regulations while proactively leading the energy sector toward a low-carbon, resilient future.

Net Zero Transition Plan – abstract from CDP 2025 questionnaire, 5.11

Q5.11 Do you engage with your value chain on environmental issues?

Response 1: Suppliers
Engaging with this stakeholder on environmental issues
Yes
Environmental issues covered
Climate change
Response 2: Customers
Engaging with this stakeholder on environmental issues
Yes
Environmental issues covered
Climate change
Response 3: Investors and shareholders
Engaging with this stakeholder on environmental issues
Yes
Environmental issues covered
• Climate change
• Water
Response 4: Other value chain stakeholders
Engaging with this stakeholder on environmental issues
Yes
Environmental issues covered
Climate change

Climate Risk Management – abstract from CDP 2025 questionnaire

5.3

Reviewed

Have environmental risks and opportunities affected your stra

This question allows organizations to indicate whether they have considered and acted upon

Density Expand

	Environmental risks and/or opportunities have affected your strategy and/or financial planning	Bu yo
	Yes, both strategy and financial planning	

Climate-related risks – alignment with CDP 2025

The CSA response is based on the climate-risk assessment reported in CDP 2025, question 3.1.1.

"In line with the information reported in the CDP 2025 response to question 3.1.1, Italgas identified and assessed the main climate-related risks that could generate substantive impacts on business operations, revenues or expenditure. The analysis covers physical and transition risks, quantifies their inherent financial implications and describes the related management actions, associated costs and time horizons."

CSA requirement	Coverage in CDP 2025 – question 3.1.1
Regulatory risks	Changes in emission-related regulation and possible higher indirect procurement costs along the supply chain.
Physical risks	Flooding and other extreme natural events, with potential damage to networks, meters, buildings and related assets.
Financial implications	Quantitative estimates of inherent financial effects, calculated before considering mitigation measures.
Management, costs and time frame	Risk responses, expected results, response costs and medium-term time horizons are provided for each risk.

Most significant climate-related risks reported in CDP 2025

The table summarises the key information requested by the CSA: risk description, financial implications, time frame, management actions and response cost. This is an abstract of the answers provided in 3.1 and 3.1.1. Italgas identified and disclosed, based on its definition of “substantial impact” the main climate-related risks that could generate substantive impacts on business operations, revenues or expenditure. The analysis quantified their inherent financial implications and describes the related management actions, associated costs and time horizons in line with the CDP disclosures requirements”

Risk category	Main risk and financial implication	Time frame	Management actions	Response cost
Regulatory risk	Possible tightening of the regulatory incentive system for methane emissions, resulting in lower premia or higher penalties. Estimated inherent financial effect: €0–23.1 million.	Medium term Likelihood: about as likely as not Magnitude: medium	Enhanced leakage monitoring and repair; internal service levels stricter than regulatory thresholds; extension of Group best practices to acquired companies.	€12.56 million
Physical risk	Flooding and extreme natural events. Potential decrease in asset value or useful life. Estimated inherent financial effect: €1.0–24.5 million.	Medium term Likelihood: about as likely as not Magnitude: medium	Advanced leak detection through Picarro; 24/7 Integrated Supervision Centre; insurance coverage, including flooding and natural catastrophes.	€23.36 million

Risk 1 – Regulatory Risk

Possible tightening of the regulatory incentive system for methane emissions, resulting in lower premia or higher penalties

Risk description	Possible tightening of the regulatory incentive system for methane emissions, resulting in lower premia or higher penalties. In Italy, where Italgas has ca 95% of its operations in gas distribution activity, a regulatory system of financial premia/ penalties is currently in place to incentivise Italgas to detect, repair and reduce leakages . The ongoing effort on GHG emissions reduction and energy transition could result in stricter criteria and requirements to avoid, reduce and control emissions. So, we see the risk of increasing focus on CH4 emissions, relevant for the broader gas infrastructure industry, representing through leakages the bigger proportion of Scope I emissions for the Group. In the upcoming regulatory review for the period starting in 2028, the IT regulator ARERA could tighten the current bonus/penalty system of emissions detection,, with a negative impact for Italgas, in order to make the target more stringent.
Methods to manage the risk	1. Use Picarro Surveyor to enhance leakage-search effectiveness (x1,000) and efficiency. 2. Adotpion of internal service levels more stringent than regulatory requirements. 3. Extension of Picarro and Group best practices and technologies to recently acquired assets to improve emissions reduction and network performance
Estimated financial implication	The risk maximum impact valuation assumes no premia are received from 2028 onwards, so the effect on financial performance is linked to lower revenues with consequent negative impact in terms of net profit. The impact is estimated considering a worst case impact, so is equal to: a. the net annual premia received by the company for its outperformance relative to the regulatory targets on emissions, b. tax effect → €23,124,952
Cost of actions	The total annual cost of the response takes into account the full cost of running our leak detection activities after tax. Being the full cost of running our leak detection activities equal to €17,322,697, resulting from the sum of Personnel cost, Equipment cost and cost of equipment maintenance. Applying a tax rate of 27.5% results in a total annual post-tax response cost of €12,558,955
Average estimated time frame	Medium term impact as for company definition, 5 years average

Risk 2 – Climate-change related risk

Flooding and extreme natural events. Potential disruption and restoration costs affecting networks, meters, buildings and related contents.

Risk description	Ca 95% of Italgas' assets and operations is in Italy, and ca 5% in Greece. As depicted by IPCC, the frequency and severity of such events are expected to increase. Our annual climate scenario analysis uses a model provided by an indep.third party that estimates the evolution of physical parameters in areas served by Italgas, with a high level of detail (municipality). Results showed that, under IPCC RCP 4.5 and 8.5 scenarios, the % of days with heavy rain is expected to increase in a minority of locations where Italgas operates. However, considering both locations exposed to coastal floods and those exposed to pluvial floods, managing gas distribution activities involves a number of risks: accidents or malfunctioning of equipment or control systems; underperformance of plants; extraordinary events such as explosions. These related events could cause a decrease in asset value and involve substantial damage to people, properties or the environment.
Methods to manage the risk	1. Picarro Surveyor to identify network sections at higher risk. 2. Integrated Centre for Supervision active 24/7 for remote monitoring and intervention management. 3. All Risks Property insurance, including flooding and CatNat (insurance for natural catastrophes) for assets within the Italian territory in compliance with Law 213/2023.
Estimated financial implication	Worst-case estimate: €24,500,000, based on an independent third-party assessment of maximum damage to redelivery points and related networks, road pipelines, owned buildings and contents, on the back of the occurrence of an extreme natural event linked, for example, to flooding comparable to a catastrophic seismic event. Depending on the duration of disruption, an impact on profitability could also emerge.. The risk quantification depicted is strongly precautionary, as a worst-case scenario is assumed. Over the last 5 years, considering the consolidated perimeter, Italgas experienced a total of 10 events due to external natural events with a related economic impact of less than €1 million per event. Based on past events, in the case of coastal floods and pluvial floods with consequent landslides, the mitigation actions put in place seem to have a significant ability to mitigate the impacts of the risks.
Cost of actions	The cost of management (€23,361,296) equals the sum of: a) the annual cost of insurance. b) annual full cost of running our leak detection activities:, c) Annual Cost of Italgas Integrated Centre for Supervision
Average estimated time frame	Medium term impact as for company definition, 5 years average