



GUIDELINES FOR THE RESPECT OF HUMAN RIGHTS

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Contents

Definitions	2
1. Objective	3
2. Scope of Application	3
3. Regulatory references and main standards	3
4. Human Rights	4
4.1 Salient Human Rights	4
5. Governance	5
6. Human Rights and Environmental Due Diligence	5
6.1 Steps of the Human Rights and Environmental Due Diligence process	5
6.2 Risk identification	6
6.3 Risk Measurement & Treatment	6
6.4 Monitoring	7
6.5 Reporting	8
8. Stakeholder Engagement	8
9. Consequences of violating human rights regulations	9
10. Responsibility for Updating	9

Definitions

Human Rights: the inalienable rights of every person by virtue of being human. These rights are based on the recognition of the dignity, freedom and equality inherent in all human beings. At a minimum, the Human Rights internationally recognised in the International Bill of Human Rights (Universal Declaration of Human Rights and subsequent international conventions on civil and political rights and economic, social and cultural rights) and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work are covered within the scope of management.

Salient Human Rights: a company's salient issues refer to Human Rights that may be seriously negatively impacted by the company's activities or business relations. This concept of "relevance" focuses on the risk to individuals, not to the company, acknowledging that higher risks to human rights often coincide with greater risks to the company.

Business Associate: any third party, not an employee, who receives or provides products or services from/to the Snam Group or acting on behalf of Snam, or which may have a significant contact in the performance of their duties on behalf of Snam (e.g. joint venture, intermediaries, consultants, agents, franchisees, etc.).

Supplier: the economic operator (natural person, legal person or grouping) potentially able to meet an established requirement for the provision of goods, works and services, in line with the definitions set out (in regulations relating to procurement) in the reference regulatory instruments applied by the Snam Group.

Human Rights and Environmental Due Diligence: in the context of the Guiding Principles on Business and Human Rights (Principles 17-21), this term refers to an ongoing management system that a company puts in place in consideration of the sector in which it operates, the operating contexts and size of the company, to ensure that it respects, or is not complicit in violations of, Human Rights. This involves "identifying, preventing, mitigating and reporting" negative effects potentially caused by the company.

Reputational Due Diligence: a counter-party risk analysis to identify indicators of anomaly, or risks of possible criminal infiltration (red flags) with regard to suppliers and subcontractors of the Snam Group.

Snam People: directors, managers, members of the corporate bodies and management, employees and all those operating to achieve Snam's objectives, each under the scope of their duties and responsibilities.

1. Objective

Snam S.p.A. (hereinafter also “**Snam**” or “**the Company**”) is one of the world’s leading players in the energy infrastructure market. In particular, the Company carries out its activities with the aim of fostering the energy transition towards forms of using resources and energy sources that are compatible with environmental protection and progressive decarbonisation.

The **Guidelines on Respect for Human Rights** (hereinafter also referred to as the “**Guidelines**”), in compliance with the ten principles of the UN Global Compact, to which the Company adheres, is inspired by the principles of ethics, transparency, fairness and professionalism, in line with what is already regulated in the Code of Ethics. Awareness of the Guidelines is promoted among **Snam People** and **stakeholders**, with the intention of enhancing their contribution to broadening the scope of these values, as well as the issue of Human Rights, and encouraging conduct to prevent and report possible violations of applicable regulations.

The objectives of these Guidelines include confirming Snam’s commitment to protecting human rights and the environment, and detailing the founding principles and actions taken by the Company in this area, in line with what is already set out in the **Human Rights Policy**.

2. Scope of Application

These Guidelines apply to Snam and, as part of its direction and coordination activities, to all subsidiaries, and is also brought to the attention of other investee companies to promote principles and conduct consistent with that expressed by Snam.

This document applies to all Snam People, as well as any other subjects, wherever they may be, who are acting - for any reason - in the name and on behalf of the Company, within the limits of their duties and responsibilities.

The addressees of these Guidelines are required to be familiar with the regulations referred to herein and to check the latest developments in the current legislation on Human Rights, both in terms of national law and international and EU law, in order to ensure compliance.

3. Regulatory references and main standards

These **Human Rights Guidelines** outline the general principles and rules of conduct established to ensure the Company’s compliance with the most authoritative regulatory sources and standards of reference on Human Rights, such as the United Nations Universal Declaration of Human Rights¹, the eight Fundamental Conventions of the ILO (“International Labour

¹ Universal Declaration of Human Rights, United Nations General Assembly, Paris, 10 December 1948

Organization”)², the OECD Guidelines for Multinational Enterprises³ and the United Nations Global Compact, of which the Company is also a member.

This document also takes into account the provisions of the **European Corporate Sustainability Due Diligence Directive** (hereinafter also referred to as “**CSDDD**” or the “**Directive**”), which addresses the obligations on companies, within the scope of their own activities, the activities of their subsidiaries and those of their business partners, with respect to actual or potential **negative impacts on human and environmental rights**⁴.

4. Human Rights

Human rights standards establish the set of international obligations arising from international treaties in light also of customary international law. One of the characteristics of fundamental rights regulations is their **multidimensionality**. This is meant to emphasise that every human rights standard is addressed to a plurality of recipients, including companies, which are therefore called upon to respect all **internationally recognised rights**.

4.1 Salient Human Rights

In accordance with the dictates of the OECD Guidelines and the United Nations Guiding Principles on Business and Human Rights, as well as the Directive, the activities outlined in these Guidelines cannot disregard the identification of **Salient Human Rights Issues**⁵ (hereinafter also referred to as “**Salient Issues**”), i.e. the Human Rights that are most significant and a priority with respect to the Company’s business, the interests of local and international stakeholders, and the contexts in which Snam operates.

Snam has identified as “salient” the Human Rights listed in the **Annex** which, however, cannot be considered an exhaustive list, as they are subject to periodic reviews and possible additions by the Company.

² The International Labour Organisation (ILO) has adopted eight conventions considered fundamental for the promotion of workers’ rights globally. These conventions concern the freedom of association (Convention No. 87) and the right to collective bargaining (No. 98), the abolition of forced labour (No. 29 and No. 105), the elimination of child labour (No. 138 and No. 182), and non-discrimination in employment and occupation (No. 100 and No. 111). These standards form the core of fundamental human rights in the world of work and are binding for all ILO members, regardless of ratification.

³ OECD (2024), *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*, OECD Publishing, Paris, <https://doi.org/10.1787/cdce11ac-it>

⁴ See CSDDD Article 1 (subsections 3 et seq. extensively refer to other concepts taken from articles and recitals of the Directive)

⁵ The “UN Guiding Principles Reporting Framework and its Implementing and Assurance Guidance”, Shift Project Ltd., Mazars LLP (2015) define a company’s salient issues as Human Rights that are at risk of being seriously negatively impacted by the company’s activities or business relationships. This concept of “relevance” focuses on the risk to individuals, not to the company, acknowledging that higher risks to human rights often coincide with greater risks to the company.

5. Governance

With a view to clear formalisation of the responsibilities regarding the activities covered by these Guidelines, Snam has identified a multifunctional governance system with the aim of promoting and protecting Human Rights, both in its own operations and throughout the chain of activity:

- i. the **Snam Board of Directors** is responsible for approving these Guidelines;
- ii. the **CEO** – confirming the Company’s commitment to promoting a culture of respect and protection of Human Rights – undertakes to disseminate, including through the relevant company departments, in a clear and unequivocal manner, the principles expressed herein, ensuring they are applied and integrated into the various internal regulatory instruments and reflected in the organisation;
- iii. the **Business Integrity & Compliance** department is responsible for defining and implementing the relevant Compliance Model, as described below;
- iv. to provide support, the **departments responsible for the processes impacted by the Salient Issues** are also involved. These departments assess (within their areas of responsibility and specific areas of commitment⁶) the actual or potential negative impacts that Snam may cause or contribute to, in line with the methodological and strategic guidelines set by the integrated compliance and sustainability departments. They also help to identify and implement mitigation and remedial measures. They then provide the necessary support for the implementation and monitoring of the activities envisaged in the implementation of these Guidelines.

6. Human Rights and Environmental Due Diligence

The **Human Rights and Environmental Due Diligence Model** (hereinafter also referred to as “**HREDDM**”), which Snam is committed to implementing, reflects what is outlined by international standards of reference, such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, as well as best practices on respect for Human Rights and the compliance programme in addition to the provisions of the CSDDD.

6.1 Steps of the Human Rights and Environmental Due Diligence process

The Human Rights and Environmental Due Diligence process adopted by Snam is based on four pillars:

- **Risk identification:** identifying the Company’s Salient Human Rights and implementing a risk and impact assessment process aimed at identifying the possible negative effects that Snam’s operations could cause to Human Rights;

⁶ The departments referred to are primarily Procurement, involved in supply chain management and third party assessment, together with the Security department and Human Resources department, primarily responsible for employee relations management.

- **Risk measurement & treatment:** assessing identified risks and establishing prevention, mitigation and remedial actions (action plan);
- **Monitoring:** setting up and maintaining a system to monitor the effectiveness of the Guidelines and established actions;
- **Reporting:** communicating what has been implemented to stakeholders

HREDDM activities are part of the broader integrated risk assurance & compliance model, operating both from a preventive perspective by working on robust risk assessment processes towards the universe of applicable regulations, and from a detection perspective through structured monitoring of the safeguards and actions put in place to prevent, mitigate or terminate negative impacts. Lastly, the results of these activities are communicated through adequate reporting to Top Management and Corporate Bodies at the time of presenting the “*Annual Compliance Report*”.

6.2 Risk identification

Identification of Salient Human Rights and Human Rights risk and impact assessment

With regard to the activity of identifying Salient Human Rights (Salient Issue mapping), Snam identifies the Human Rights that could be most exposed to risks and negative impacts in relation to the type of business conducted by the Company and the reference sector (see Annex I of these Guidelines).

As for the risk of Snam having negative impacts on Human Rights, the Company identifies and analyses – by conducting a Human Rights Risk and Impact Assessment – the risks and related negative impacts on the salient Human Rights identified.

The Business Integrity & Compliance department operationally defines the methodology to be followed when conducting the Human Rights risk and impact assessment and outlines how the identified risks are to be assessed. However, the Salient Human Rights identified could be negatively impacted within the processes of various company departments. Therefore, within their area of responsibility, each company department shall endeavour to identify, prioritise, update and monitor any areas of risk on Human Rights related to its area of activity and influence. The task of identifying and assessing actual and potential negative impacts is the shared responsibility of all company departments, given the relevance of the subject matter.

These operations are repeated periodically and may be triggered, on an extraordinary basis, if new risks worthy of attention emerge in the area of Human Rights, such as a new acquisition. In addition, any necessary additions to the operations described above must always take into account any updates to national, EU and international regulations.

6.3 Risk Measurement & Treatment

Preventing, mitigating and stopping negative impacts and remedial measures

Conducting a Human Rights risk and impact assessment also serves to identify and establish the necessary actions (action plan) for **preventing, mitigating** and **stopping** any negative impacts detected.

Preventive measures are appropriately identified by the Business Integrity & Compliance department, with support from the individual company departments involved within their area of responsibility.

They are considered preventive measures:

- **Counterpart Risk Management** is carried out in complete compliance with current regulations and the Snam Code of Ethics, and allows the corporate units so requesting to provide processed and related information to help with current and future corporate decision-making, for the protection of rights, people and the company's tangible and intangible assets. **Reputational due diligence** activities concern natural and legal persons who, in any capacity, have or may have relations with Snam; it constitutes a primary means of preventing corruption and criminal infiltration;
- **Third Party Monitoring** serves to verify actual compliance with the contractual conditions imposed by the Company;
- **Training** addressed to both employees and suppliers, on Environmental, Social and Governance (ESG) matters, and on Snam's internal documentation on the subject;
- Drawing up and adopting **contractual clauses**.

Mitigation measures are triggered when preventive measures have proved ineffective. The choice of which measure to apply depends on the specific case and is made following the "Third Party Monitoring" rule.

Lastly, where not even mitigation measures succeed in limiting the effect of negative impacts – taking into account the principle of business continuity and applicable regulatory requirements – Snam shall ensure that the business relationship or activities generating any negative impacts are **interrupted**. Furthermore, it undertakes to identify and implement appropriate **restorative actions** for victims.

Mitigation measures and possible restorative actions **prioritise** those aimed at preventing or mitigating the most severe impacts or impacts for which a delayed response would render them irreparable.

6.4 Monitoring

Monitoring the implementation and effectiveness of the process

The Business Integrity & Compliance department constantly monitors the proper functioning of the HREDDM process and the effectiveness of implemented actions through the planning of Key

Performance Indicators (KPIs) and Key Risk Indicators (KRIs). When selecting and defining specific indicators and targets, the department is supported by the departments involved in each risk area identified.

The outcomes of the monitoring processes are taken into account when making any updates to these Guidelines and to the Human Rights and Environmental Due Diligence process.

6.5 Reporting

The Business Integrity & Compliance department coordinates, with the departments concerned, the collection of information flows, ensuring correct **communication** of the actions taken and the due diligence process implemented on internal and external stakeholders, in line with the Corporate Social Responsibility Directive (CSRD).

7. Reporting channels and complaint mechanisms

Snam has equipped itself with complaint mechanisms and reporting channels to allow for the detection, analysis and management of any potential violation of Human Rights, providing for appropriate **remedial measures** in accordance with the Code of Ethics and the Ethics and Integrity Pact.

In order to make it easier to receive reports, Snam has set up the following **Reporting channels**⁷:

- **IT platform called the “whistleblowing platform”** which guarantees the anonymity of the Whistleblower;
- **e-mail:** segnalazioni@snam.it
- **P.O. Box:** OMBUDSMAN SNAM – Piazza S. Barbara 7 20097 San Donato Milanese (MI). The hard copy of the document is forwarded to the Ombudsman, in a closed envelope, through the Secretarial office of the Watch Structures;
- **direct meeting** with the Internal Audit department, at the request of the whistleblower, to be arranged within a reasonable time.

8. Stakeholder Engagement

The Company periodically holds listening and discussion initiatives, such as workshops and round tables in collaboration with international organisations where it participates and engages in advocacy initiatives on issues such as sustainability, energy transition, gender equality and

⁷ For more details, see the “Whistleblowing Guidelines”

Diversity, Equity and Inclusion (DEI). It also carries out local engagement initiatives in partnership with Fondazione Snam ETS.

9. Consequences of violating human rights regulations

Failure to comply with the applicable legislation and company rules in force, which incorporate the principles set out in the Code of Ethics and the Human Rights Policy, constitutes a violation of the law, a breach of contractual obligations arising from the existing relationship, and a disciplinary offence.

If the infringement is committed by:

- a Snam Person, the Company, in compliance with applicable legislation and existing company regulations, will take the necessary disciplinary measures, applying the principles of appropriateness and proportionality between the infringement and the sanction imposed;
- suppliers/Business Associates will be subject to the contractual remedies provided for by law or by appropriate clauses to which they have signed up and, in the most serious cases, will be banned from having commercial or institutional relations with Snam in the future.

In addition to the above, anyone may in any case also be liable for compensation claims or legal action before the competent authorities, including the criminal courts.

10. Responsibility for Updating

The Business Integrity & Compliance Department periodically reviews these Guidelines to ensure their effectiveness over time and their adherence to emerging best practices. In any case, all company units/departments involved are required, within their area of responsibility, to detect and report any company events that require this document to be updated.

ANNEX TO THE GUIDELINES FOR THE RESPECT OF HUMAN RIGHTS



ANNEX A)
SALIENT HUMAN RIGHTS

Right to decent work

Snam protects and promotes the dignity of its workers and guarantees them a safe and secure working environment.

The Company pursues a zero-tolerance policy towards any form of forced labour, slavery and human trafficking¹ and is committed to ensuring working conditions that comply with the laws and regulations in force in the countries where it operates. The performance of work, whether ordinary or extraordinary, is always a free expression of the workers' will.

Snam also rejects the use of child labour. The minimum age for starting an employment relationship is determined in accordance with International Labour Organisation standards² and the relevant national legislation.

Right to personal well-being

Snam considers people's health, safety and psychophysical well-being to be a fundamental value to be protected in every context, both at work and in private life. For this reason, the Company is committed to ensuring a working environment that minimises health and safety risks by providing training courses aimed at raising staff awareness of potential risks and promoting responsible behaviour. In addition, Snam has all employees undergo regular health checks.

Snam implements several initiatives to improve the quality of life of employees and their families, with the aim of facilitating the work-life balance. Among other things, the company offers various types of work flexibility and introduces flexible working hours.

Employment rights without discrimination

Snam prevents and repudiates discrimination in the individual's personal, cultural and professional sphere, as well as any form of harassment, intimidation and sexual, psychological, physical, verbal and digital abuse.

The Company is particularly sensitive to the issue of ***Diversity, Equity & Inclusion (DEI)*** and has been committed for years to creating a work environment that encourages and protects cultural diversity, while respecting the principles of non-discrimination and equality, not only of gender. To this end, Snam has established a set of *ad hoc* policies and procedures.

In addition, bearing in mind the inequalities that may result from care work and motherhood, the Company has established support policies for male and female workers with family

¹ As defined by ILO Convention No. 29 on Forced Labour and No. 105 on the Abolition of Forced Labour.

² As defined by ILO Convention No. 138 on Minimum Age.

responsibilities, with the aim of providing additional help in solving the challenges of work-life balance.

Right to fair treatment and remuneration

Snam protects the right to fair treatment and remuneration, guaranteeing equal opportunities for all staff and collaborators at all stages of the employment relationship, from the selection and recruitment process through to professional development, based exclusively on merit and skills.

Right of free association, opinion and collective bargaining

Snam protects the right to free association, opinion and collective bargaining, guaranteeing that all company employees can form or join trade unions and associations to defend and promote their interests. The company not only respects these rights, but actively promotes them by creating a working environment that is open to listening.

Snam values its employees' freedom of opinion by involving them in numerous discussion activities. These include workshops dedicated to materiality analysis and meetings with trade union representatives, aimed also at identifying improvement actions and hearing workers' demands. Through these tools, the company facilitates a continuous and constructive dialogue between the company and its workers, fostering a corporate culture based on participation and transparency.

Right to privacy

Snam is committed to ensuring that personal data is processed with respect for the rights, fundamental freedoms and dignity of natural persons in accordance with the provisions of current legislation. Snam implements appropriate technical and organisational measures to guarantee the appropriate level of security for its data processing in order to safeguard the confidentiality, integrity and availability of personal data.

In order to ensure that the processing of personal data is carried out in compliance with the fundamental rights and freedoms of natural persons and, in particular, with the right to the protection of personal data, Snam has adopted internal regulatory tools, such as the "Privacy Guidelines" and its annexes, which set out the corporate roles and obligations to be implemented with regard to the protection of personal data pursuant to Regulation (EU) 2016/679 ("GDPR") and which are addressed to all Snam employees.

Rights of local communities

Snam respects the rights of local communities by understanding the needs of the socio-economic and environmental context where its operations are located. Bearing in mind the (even indirect) influence the Company can have on the communities where it operates, Snam promotes, including

through its Foundation, ongoing listening and discussion activities with the community, to identify shared projects that can contribute to the development of the local area.

When developing projects for the construction of its energy infrastructure, Snam compensates for laying pipelines on land owned by private individuals or communities/public entities with specific compensation correlated to the weight of the pipeline easement, as well as compensation paid to the owners of the land (whether these are private/public entities or communities) who exercise rights of use over the land in question.

With a view to managing the impacts and risks associated with local community relations, Snam has adopted internal regulatory tools, such as the “Stakeholder engagement policy” and the “Policy for the management of philanthropic activities and social initiatives”.

Tackling climate change and environmental impacts

Snam is actively committed to safeguarding and protecting the environment, pursuing not only continuous improvement in its energy performance, but also the protection of public safety. For the Company, these are key issues for the pursuit of sustainable development and value creation. To achieve these objectives, Snam implements management systems that comply with international regulations and best practices. In addition, the Company monitors the evolution of legislation and market practices regarding voluntary and regulatory commitments on climate change and human rights, to ensure compliance with applicable regulations.

Snam widely disseminates these principles and commitments in the corporate culture through dedicated documents in its internal regulatory system. These documents address and develop (but are not limited to) issues of health, safety and quality, energy and emission reduction, biodiversity and soil protection, and regulate the Company’s involvement in circular economy initiatives and proper waste management. These documents set out the Company’s commitment on these issues, reaffirming its concern for the environment.

The Company also established and published its Transition Plan with the aim of driving its efforts towards a low-carbon economic system. The plan outlines the targets³, actions and resources it will implement in reducing emissions and protecting biodiversity.

Snam is also committed to involving its suppliers in the fight against climate change, organising training and discussion meetings and supporting them on the path to decarbonisation, providing its own know-how and experience in defining sustainability priorities, applying best practices, identifying the most valid monitoring measures to be implemented, and promoting the spread of innovative, low-emission energy efficiency solutions.

³ The main targets include: Net Positive Impact on nature by 2027; 52% of investments aligned to the EU taxonomy by 2032; and carbon neutrality by 2040.

To this end, Snam is committed to: *(i)* involving stakeholders through a systematic process aimed at gathering and integrating different points of view on strategic issues, thereby establishing a constructive dialogue and constant communication with key stakeholders; *(ii)* a process of constant sharing of its ESG principles through the use of e-learning training tools made available to all its suppliers on the Snam website in the dedicated section.