



ETHICS AND INTEGRITY PACT

1. Snam¹ bases its development model on sustainable growth and compliance with environmental, social, and economic principles, values and components, which are an integral part of its strategic choices.

Careful management of the supply chain is an essential element of this model, considering the plurality of activities carried out by the company. Snam intends to set an example and act as a benchmark along the entire value chain, choosing Suppliers² in line with its vision and encouraging them to commit to actions benefitting the environment and society, beyond mere compliance with efficiency and quality requirements.

In line with its development model and its own values, Snam invites its Suppliers to share and encourage in their operative and development processes **20 key principles of business ethics** that it recognizes as essential. These concern **respecting the law, the individual, the environment, the market, institutions, associations, and local communities**. These **20 key principles** of the Ethics and Integrity Pact are:

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 - promote a *zero-tolerance* approach to all forms of corruption
 - fight the infiltration of organized crime
 - respect laws and regulations in force within any jurisdiction in which we operate, in all company processes and choices
 - adopt and effectively implement internal control and risk management systems
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 - safeguard human dignity and equality, valorizing diversity, and ensuring an inclusive and healthy work environment
 - respect fundamental freedoms and human rights, and repudiate all forms of forced labor and economic exploitation of minors, as well as all kinds of discrimination, harassment, or violence
 - adopt policies to safeguard health and safety at work, as well as to protect the well-being of people
 - protect labor, trade union freedoms, association, and collective bargaining
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 - fight climate change, encourage ecological transition and prefer the use of electricity obtained from renewable sources, in order to reduce CO2 emissions
 - protect the environment and landscape, and safeguard biodiversity and territories where we operate
 - promote scientific and technological development for the protection of resources and the environment, and invest in the development of more innovative and sustainable solutions to reduce the environmental impact of activities and maintain its technological equipment to ensure its adequacy, compliance, and safety
 - promote the circular economy, reducing waste and efficiently using natural resources (with particular attention to water)
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 - guarantee the country's energy security, ensuring continuity of supply
 - respect free and fair competition, and avoid any situation that could create conflicts of interest
 - recognize the value of beneficial ownership transparency and financial reliability, as well as diligently pay tax and social security contributions
 - ensure security and integrity of IT systems, to prevent the risks connected with cyber security
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 - adopt an ethical and socially responsible business model that also creates value for the community
 - invest in people, in their wealth of skills, and in their professional abilities
 - promote social and economic development, also supporting employment
 - make business choices that also consider local development and the relevant social context

¹ In line with the provisions of the Code of Ethics, "Snam" means Snam S.p.a. and its Subsidiaries, both direct and indirect.

² The term "Supplier" means the natural person, legal entity, or group of companies, potentially capable of satisfying a given supply need for goods, works and services, consistent with the definitions in the regulatory instruments of the Snam Group. For the purposes of this document any economic entity that intends to participate in any selection and/or award procedure called by Snam, even if not yet included in the Snam Vendor List, or that aspires to become a subcontractor/other kind of contractor is considered as such.



2. Full sharing of the above principles is an essential requirement to be included in Snam's Vendor List, to maintain the status of "qualified/accredited Supplier", to be able to participate in selection and/or award procedures, to enter into contracts, as well as for the entire duration of the contractual relationship.

The Supplier concerned acknowledges and accepts that the above principles are an integral and substantial part of all relations with the company and constitute obligations (of protection and performance) to which it is specifically bound.

Aware of the importance of its actions and of the responsibilities assumed towards Snam, the Supplier undertakes to:

- **carry out its business in a lawful and transparent manner, and in compliance with the law**, by conforming their behavior and the management of their business to the principles of loyalty, transparency, fairness, honesty and integrity, and to the other rules of conduct contained in the Code of Ethics³, as well as by adopting all organizational and/or control measures aimed at ensuring full compliance with current regulations.
- **prevent any form of corruption**, by not offering or receiving, even if only by attempting or soliciting, directly or indirectly, sums of money or any other utility, reward, advantage, or benefit, for the purpose of obtaining, maintaining or ensuring undue benefits for themselves or third parties.
- **report any event that may prove contrary to the law, the ethics, Snam regulations or, in any case, that may distort the market and/or competition** and/or contrary to the principle of secrecy of the bids, especially with reference to the stages of carrying out the selection and/or assignment procedure called by Snam, as well as during the execution of contracts with Snam.
- **promote the values of Snam also internally and in the supply cycle and collaborate with Snam for the decarbonisation of the system**, by informing all their own employees, collaborators and staff, subcontractors and/or other contractors, as well as anyone else who is and/or will be involved in the contractual relationship with Snam, of the aforementioned commitments, supervising their observance and ensuring that the same commitments are also made by its subcontractors and/or other contractors.

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3. Without prejudice to the regulations provided for by the legislation on public contracts and anti-mafia, where applicable, for the purposes of the above, the Supplier declares that, to the best of its knowledge that:

- a) **a.1)** criminal proceeding, even if only at the stage of investigation and/or prevention procedure; **a.2)** conviction or plea-bargaining judgement (or other equivalent agreements with competent Authorities); or **a.3)** other procedure and/or ruling regarding the protection of competition started or issued by competent Authorities.

exist

do not exist against it

³ Available on Snam's website



Where such exist, please provide any useful information below, regarding the: (i) competent **Authority** (even foreign), (ii) **stage** of the proceeding; (iii) persons involved and their positions (iv) **allegations**; (v) presence of any measure or ruling.

- b) b.1)** criminal proceeding - even if only at the stage of investigation - and/or prevention procedure; **b.2)** conviction or plea-bargaining judgement (or other equivalent agreements with competent Authorities) directly or indirectly referable to unlawful conducts related to their own professional activity, or which may, in any way, affect their integrity or reliability.
- exist** **do not exist against any relevant person⁴**

Where such exist, please provide any useful information below, regarding the: (i) competent **Authority** (even foreign), (ii) **stage** of the proceeding; (iii) persons involved and their positions (iv) **allegations**; (v) presence of any measure or ruling.

Taking into account the transparent relationship that Snam intends to establish with all its suppliers, in the knowledge that the company will carry out due checks on the truthfulness of the statements made, the Supplier undertakes to comply with the above and acknowledges that, without prejudice to the provisions of the legislation on public contracts and anti-mafia, where applicable, as a contracting entity, the Company:

- will not entertain any kind of relationship with Suppliers who have not signed this document or whose declarations and commitments are not true or, in any case, appear reticent.
 - will take any initiative deemed appropriate to protect the above-mentioned principles of business ethics, in case of their violation⁵.
4. Given to the nature and activities carried out, the fulfillment of the obligations contained in this document assumes significant importance for Snam. Consequently, non-fulfillment of these obligations will be considered “serious”.
5. Failure to comply with the Supplier's disclosure obligations referred to in point 3, as well as making untruthful or in any case reticent disclosures, may result in legal termination of the contract award or of the contract already entered into, should

⁴ Without prejudice to the regulations provided for by the legislation on public contracts and anti-mafia, where applicable, “relevant persons” means: the owner or the technical director in the case of a sole ownership; a partner or the technical director, in the case of a general partnership; the general partners or the technical director, in the case of a limited partnership; the members of the board of directors to whom legal representation, management or supervision has been conferred or of subjects with powers of representation, management or control, the technical director or the sole shareholder, natural person, or the majority shareholder in case of a company with a number of shareholders equal to or less than four in the case of other type of company or of a consortium. In addition, the following are also considered as “relevant persons”: the aforementioned persons if lapsed from their office in the year preceding the call for tender - date of publication of the notice or transmission of the invitation letter - or, in the case of a request for qualification, in the year preceding the date of the declaration.

⁵ Including - in the manner and within the times established by company regulations - suspension or revocation of registration in the Vendor List, refusal to award contracts or to proceed with the revision of the contract, termination, or suspension of the execution of existing contracts, refusal or revocation of the authorization to subcontract.



Snam decides to exercise such right. In this case, Snam will notify the Supplier of its intention to make use of this termination clause in a dedicated statement.

6. Without prejudice to the above, the Supplier formally undertakes to:

- promptly notify Snam of the occurrence of any of the events referred to in point 3, from the beginning of the qualification/accreditation procedure and for the entire duration of the business relationship (including the execution of contracts during the renewal stage of the qualification), as well as to provide Snam with all the relevant information requested.
- actively collaborate with Snam in promptly providing any information, requested or relevant, if Snam becomes aware of possible violations of the commitments indicated in point 3 by employees and/or collaborators and/or subcontractors and/or “relevant persons”, as well as in adopting the consequent precautionary measures (including, where appropriate, removal or suspension of the person(s) involved).
- promptly report to Snam the occurrence of events, such as cyber-attacks, which could result in the security levels guaranteed to the Client being compromised, providing clarifications and documents regarding the security levels of the ICT networks and systems and any measures for its recovery.

7. The identification of any violations and the measures consequently adopted will be communicated to the Supplier at the end of an inquiry, during which the following will be guaranteed: **(a)** adequate discussion with the Supplier concerned, **(b)** proportionality and adequacy of the measures adopted, as well as **(c)** protection of the rights of interested parties and protection of any personal data provided, in compliance with the relevant legislation⁶.

Place and date

In witness whereof

(stamp and legible signature)

In his/her capacity as _____

The Supplier declares that it is aware of, accepts, and expressly and specifically approves the termination clause provided for in point 5.

Place and date

In witness whereof

(stamp and legible signature)

In his/her capacity as _____

⁶ Snam processes the acquired personal data in compliance with the principle of fairness, lawfulness and transparency, as well as with the EU Regulation 679/2016 (GDPR) provisions. Snam does not keep the judicial data collected during the above-mentioned checks, which are destroyed and/or deleted upon completion of the same. A specific detailed information sheet is available in the dedicated section of Snam's Suppliers Portal.