

# ***WE PUT THE FUTURE IN MOTION***



***2023 SUSTAINABILITY REPORT***





1933 - 2023



GRUPPO **api**

# 2023 Sustainability Report

6<sup>th</sup> Edition

# ***MISSION***

***WE PROVIDE ENERGY  
TO AN ITALY ON THE MOVE.***

***WE ARE AT THE HEART  
OF THE ENERGY TRANSITION  
AND PASSIONATELY COMMITTED  
TO MAKE THE MOST OF THE  
OPPORTUNITIES IT PRESENTS.***











# ***THE PRIDE OF MOVING A COUNTRY***

This report looks at the year 2023: the year in which we celebrated the 90th anniversary of the birth of our Group, but also the year that brought about a decisive dimensional leap forward, all aimed at the future.

Celebrating our history together with the people who work in the Group, our partners, representatives of the institutions and the territories that host us allowed us to reflect on the strong bond of responsibility that binds us to Italy.

We have accompanied our country throughout all the stages of its development. From the dawn of motorization, with the creation of a fuel depot and a refinery in the Marche region; passing through the Reconstruction and the Economic Boom, with the spread of petrol stations throughout the peninsula; finally arriving at the present day, in which the Group has consolidated itself by investing in Italy, even when numerous multinationals chose to leave.

This same sense of responsibility prompted us to plan the coming years by focusing even more on our country. Today, with the acquisition of Esso and the IPlanet project on electric recharging, IP is among the very first privately controlled Italian companies in Italy, in terms of size and strategic importance.

But our mission has not changed since we were little more than a fuel depot 90 years ago: to give energy to Italy on the move. Because the mobility of goods and people has been, and continues to be, an extraordinary factor of freedom and opportunity.

**Ugo Brachetti Peretti**  
President, italiana petroli S.p.A.

# MESSAGE TO STAKEHOLDERS

GRI: 2-22; 2-29

The transition comes through us.

This is the message we send to all our young people as they start their IP journey.

This is what we recounted in the exhibition celebrating the Group's 90th anniversary, through the innovative reproduction of an umbrella about the last century, under which biofuels, electricity and hydrogen have found their place.

And this is what we want to detail with this sustainability report, now in its sixth edition. A document that represents our tangible commitment to transparency and the full reporting of our economic, social, and environmental performance. In addition to traditional financial indicators, we felt it was fundamental to communicate our impact on the entire value chain, addressing crucial issues such as climate change, socio-economic development, and supply chain sustainability.

A document that also gives an account of how, in 2023, IP shaped its vision for a future as a leading player in sustainable mobility.

On one hand, the agreement with Macquarie Capital launched the era of our electric development: more than 500 service areas will acquire the IPlanet brand and will host ultra-fast electric recharging stations, allowing Italians to recharge their electric cars in a very short time. On the other hand, the finalization of the acquisition of Esso has made imposing and valuable logistical and industrial assets available to the Group, the transitional potential of which is clear: increasing shares of advanced biofuels are already being processed in our refineries alongside oil. And our positioning near ports and airports makes us an essential access point for Sustainable Aviation Fuel and Sustainable Marine Fuels.

The Government and the European Union have recognized the seriousness of our commitment: through funding from the National Recovery and Resilience Plan, the Trecate refinery is already becoming a hub for the production, use and distribution of green hydrogen. Produced from renewables, this zero-emission carrier will lower the carbon footprint of refining operations and will also be made available to the transport system through two refuelling areas in Piedmont and Lombardy. And we are ready for the repowering of our wind farm in Castelfranco in Miscano, Campania: an asset we have nominated to power green hydrogen production. Such ambitious changes require constantly updated skills. This is why 2023 was also the record year for the number of hours delivered by our Corporate Academy: over 30,000, with ad hoc programmes aimed at promoting change, disseminating best practices in good governance, protection of competition, consumer care, and enhancing the contribution of the younger generation to the Group's effort towards sustainability with dedicated programmes.

Sustainability reporting has helped us reflect on our role as an organization within society. Through the Sustainability Report, we intend to share not only our successes, but also the challenges we have faced and the lessons we have learned on our way to a more sustainable and responsible business model.

We are aware that the path to sustainability is continuous and dynamic. We gratefully welcome the contributions of all interested parties and invite constructive dialogue, as we believe that it is only through confrontation that we can successfully face the challenges of our time.

**Alberto Chiarini**  
CEO, IP Gruppo api





# **THE ROLE OF THE ENERGY SECTOR BETWEEN CONFLICTS AND UNCERTAINTIES**

The past twelve months have seen the continuation of global geopolitical instability and 2023 will probably be remembered by many as the year of the war between Israel and Hamas. The bloody conflict, which since October has reawakened disagreements that have never been resolved, adds to that in Ukraine, which for the second year has been strenuously resisting Russia's invasion. The wars have inevitably reshaped international geopolitical and economic balances, continuing to wear down the communities involved without a clear solution, with dramatic repercussions in humanitarian and economic terms.

In a climate of conflict and uncertainty, there are many sectors that are observing important structural changes. One of these is the energy sector, which is witnessing sudden changes in the balances concerning the use of fossil fuels. While 2022 has undoubtedly been defined as the year of Energy Security in response to the price crisis, rising raw materials and resulting inflation, it is not as easy to define 2023. The high level of geopolitical instability continues to disrupt energy markets and presents the world with a complex challenge that governments must face, especially in order to comply with the Paris Agreement. Economic and geopolitical crises, inflation, and high costs for the construction of transition facilities are holding back the implementation of national strategies to reduce the use of fossil resources.

The centrality of renewables in the decarbonization to achieve Net Zero Emissions (NZE) by 2050 is contrasted by a 2023 that saw oil emerge as the leading energy source in Italy and second in the world after coal, which remains the leading source for electricity generation.

The NZE plan, which sets the temperature increase at 1.5°C above pre-industrial levels, establishes an

unprecedented transformation of the global energy system by introducing policies aimed at reducing emissions from existing infrastructures and increasing the deployment of clean energy generation technologies. According to the World Energy Outlook 2023, an analysis of the global energy industry produced by the International Energy Agency (IEA), demand for oil has increased by 18 million barrels per day over the past two decades. Most of the demand is attributable to consumption in road transport. In fact, there has been an increase in the number of cars produced of around 600 million units in the same timeframe. At present, road transport accounts for about 45% of global oil demand. The International Energy Agency (IEA) reports that the production, transport and processing of oil and gas produced 5.1 billion tons (Gt) of CO<sub>2eq</sub> in 2022. These emissions are projected to be reduced by more than 60 per cent by 2030, costing around USD 600 billion annually.

In the year in which coal consumption hit a new record, the topic of climate change and the need to accelerate the energy transition came back to the forefront with vigor, thanks to the historic Global Stocktake decision. During COP28, held in Dubai in the United Arab Emirates, world leaders from 200 countries reached an agreement on the transition away from fossil fuels. The agreement involves accelerating emissions reductions towards net zero by 2050, transitioning away and reducing global emissions by 43% by 2030. In addition, world leaders have committed to triple renewable energy production capacity and double energy efficiency by 2030.

In order to address the growing importance of adaptation to climate change and to achieve carbon neutrality by 2050, the European Union is allocating record amounts to fund the international climate transition and to make a long-term strategy

concrete. With the Green Deal industrial plan, presented in February 2023 by the European Commission, the EU intends to strengthen the competitiveness of European industry with zero net emissions, accelerate the transition towards climate neutrality and secure Europe's role as the home of industrial innovation and clean technologies. To achieve this goal, the plan is based on four fundamental pillars:

- Predictable and simplified regulatory context
- Faster access to funding
- Improving skills
- Facilitating open and fair trade for resilient supply chains

Part of the industrial plan is the Net-Zero Industry Act, presented in March 2023, to increase the production of clean technologies in the EU, create green jobs and ensure that the Union is well equipped for the transition towards clean energy. It will create better conditions for launching zero-impact projects in Europe and attracting investments.

In this context, shifting the focus to Italy, the Ministry of the Environment and Energy Security formally sent a proposal to the European Commission in July 2023 to update the National Integrated Energy and Climate Plan (PNIEC). The Plan sets national targets for 2030 on energy efficiency, renewable energy sources and the reduction of CO<sub>2</sub> emissions, as well as those on energy security, interconnections, the single energy market and competitiveness, development and sustainable mobility. The approval of the final text must be concluded by June 2024. On 21 December 2023, with Ministerial Decree No. 434, the Ministry of the Environment and Energy Security approved the National Climate Change Adaptation Plan.

## Global energy demand

Millions of TOE	2022*	2021
<b>Total</b>	<b>14,450</b>	<b>14,215</b>
Of which oil source	31.5 %	31.0 %
Of which coal source	26.7 %	26.9 %
Of which natural gas source	23.5 %	24.4 %
Of which hydro source	6.7 %	6.8 %
Of which renewable source	7.6 %	6.7 %
Of which nuclear source	4.0 %	4.2 %

\*most recent data available

## New car registrations - Italy

	2023	2022
<b>Total</b>	<b>1,590,610</b>	<b>1,335,487</b>
Of which electric	66,679	49,536
Of which petrol and diesel	732,470	633,489
Of which LPG	143,889	118,791
Of which methane	1,902	10,724
Of which hybrid-petrol	494,302	394,830
Of which hybrid-diesel	81,178	60,159
Of which plug-in petrol	67,654	64,036
Of which plug-in diesel	2,534	3,911
Of which hydrogen	2	11

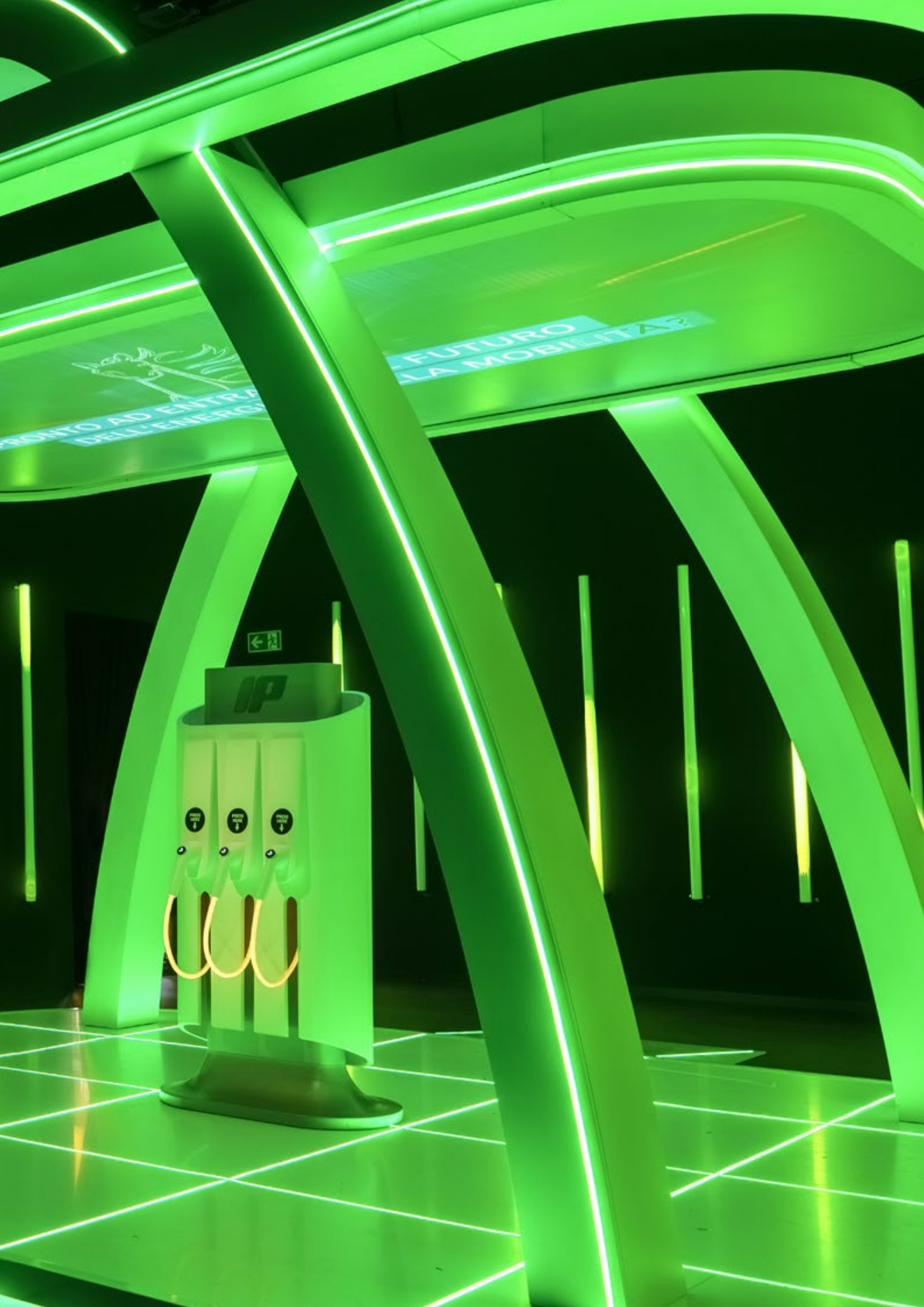
## Contextual data - Italy

Δ%	2023 vs 2022	2022 vs 2021
GDP	+0.7 %	+3.8 %
Consumption of road fuels (petrol and diesel)	-0.5 %	+4.8 %
Jet consumption (for air transport)	+21.2 %	+74.4 %
New car registrations	+19.0 %	-9.7 %









FUTURO  
LA MOBILITA?

FUTURO AD ENERGIA  
DELL'ENERGIA



IP

POWER  
↓

POWER  
↓

POWER  
↓



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# 01

## ***THE GROUP***

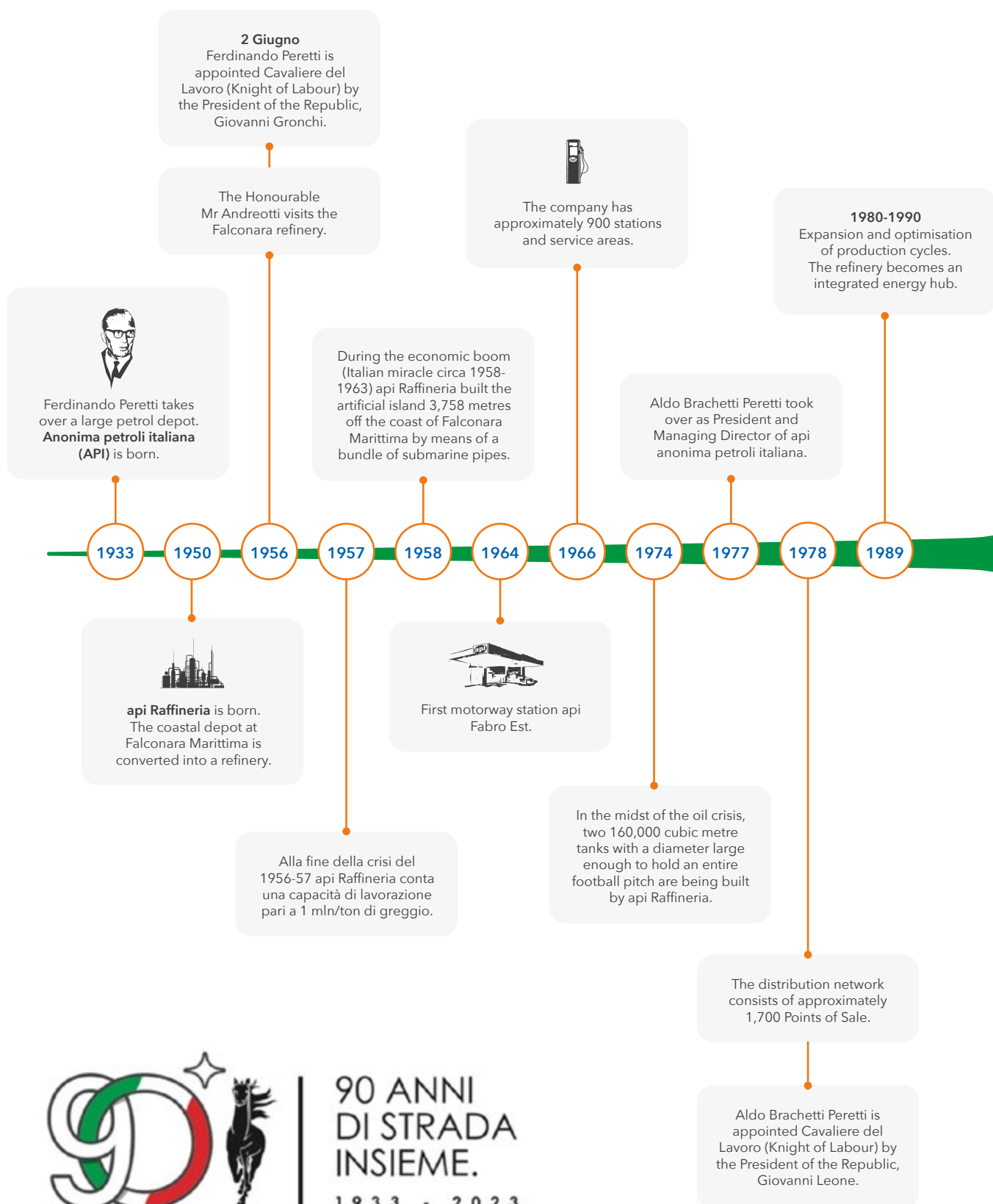
IP Gruppo api is the largest private Italian company operating in the fuel and mobility sector, thanks to its network of distributors and an industrial logistics system that covers the whole country and supplies the main Italian airports and ports.

The Group's activities, owned by the Brachetti Peretti family, are headed by Italiana Petroli S.p.A.

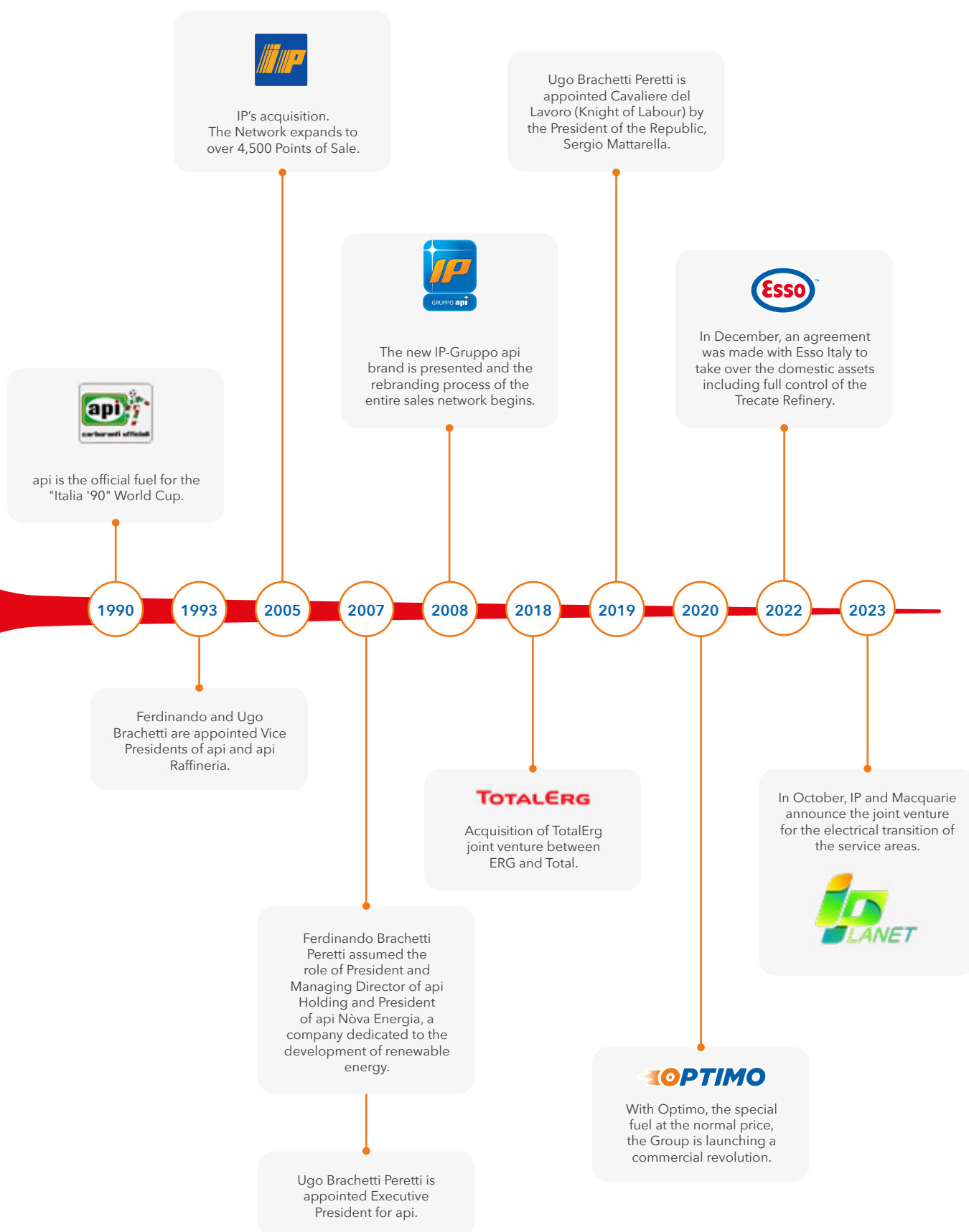
The President is Ugo Brachetti Peretti and the Managing Director is Alberto Chiarini.



## 1.1 HISTORY







## 1.2 HIGHLIGHTS

GRI: 2-3; 2-7; 2-8; 3-2; 203-2

The main figures of the consolidated perimeter of Italiana Petroli S.p.A. (IP) are shown below with their respective values and refer to the 01.01.2023 - 31.12.2023 reporting period.

**1,629**

PERSONNEL

**10,364 Mton**

TOTAL PRODUCT SALES

**4,626**

POINTS OF SALE

**17,000**

INDUCED NETWORK EMPLOYEES

**10 Mton**

CRUDE OIL PROCESSING CAPACITY

**0.521 Mton**

DIRECT CO<sub>2eq</sub> EMISSIONS

**5 Mm<sup>3</sup>**

PRODUCT STORAGE CAPACITY

**1,172**

SUPPLIERS

**-83 M€**

NET FINANCIAL POSITION

**10,008 Tjoule**

ENERGY CONSUMPTION

**3.73**

ACCIDENTS  
PER MILLION HOURS WORKED

**30,453**

TOTAL HOURS OF TRAINING

**0.12**

DAYS OF ABSENCE  
PER MILLION HOURS WORKED

28,157 TO IP PERSONNEL

2,241 TO MANAGERS OR PARTNERS

55 TO STUDENTS

## 1.3 VALUES

GRI: 2-23

Since 1933, IP has been energizing Italy on the move. The Group has grown over the years by strengthening its logistics and distribution network to be ever closer to the mobility needs of Italians. And today, it is at the heart of the energy transition and works passionately to seize its opportunities. The Group's Values draw inspiration from its own history and from the principles of economic, social and environmental sustainability of Agenda 2030. They guide the Company's actions and future development and influence business decisions and responsible choices towards stakeholders. They also guide behaviour and strengthen the level of integration of IP Personnel.



### INTEGRITY

No compromises are permitted for those working in and with IP. The Organization adopts transparent procedures and a linear Governance aimed at isolating any anomalous behaviour with the firm belief that the value of integrity can never be separated from the objective of creating economic, social and environmental value and that respect for rules is the basis of relations and competition on the market.

### RESPECT

IP is aware of its role in the country in which it operates and of the responsibilities that its size and mission give it. It acts with respect in everything it does, recognizing that the Group's activities have an impact not only on people and customers, but also on partner companies, often smaller, on local communities and on the environment. The Company creates value for its stakeholders and contributes to the support and development of the territories in which it operates and the communities living there. It also invests in its assets, the best practices, techniques and technologies in the field of safety, health and environmental protection. It recognizes the changing needs and habits of customers who are increasingly looking to sustainability as a factor in their choice of products and services. For IP, sustainability is a competitive tool.

### SUSTAINABLE GROWTH

For IP, an effective sustainability strategy naturally starts with incorporating the principles of sustainable environmental, social and economic development into the Group's Values, which dictate its priorities for action in order to create shared value with all stakeholders and ensure the Group's sustainable growth over time.

### EXCELLENCE

Development and growth do not go without quality work. Work that is not only safe and honest but rich in skills. Thanks to the training courses planned by the corporate Academy, the company strives to create a shared culture based on all the guiding principles that inspire daily actions and to increase the best skills in order to achieve increasingly ambitious goals. In line with the Values that characterize the attitude of IP People and with the Code of Ethics, in which these values are reflected, those who work for the Group and with the Group also have the responsibility to behave in a manner consistent with the founding principles of the IP style.

## 1.4 CORPORATE GOVERNANCE

GRI: 2-1; 2-2; 2-9; 2-10; 2-11; 2-12; 2-17, 2-18

Italiana Petroli S.p.A. is characterized by a corporate-type organization, consisting of three distinct bodies: a deliberative body (the Assembly), a traditional management body (the Board of Directors) and the control body (the Board of Statutory Auditors). The perimeter of industrial and operational activities represents the consolidation of Italiana Petroli, a joint-stock company identified by the IP brand and 99.82% controlled by the Brachetti Peretti family.

Italiana Petroli S.p.A. consolidates and controls 100% of the following major companies:

- **api Raffineria di Ancona S.p.A.:** industrial plant for refining and storage of oil products;
- **IP Industrial S.p.A.:** storage and processing depot for oil products in Rome and some depots in the North West;
- **IP Services S.r.l.:** operating in the direct management of oil sales points;
- **Campana Energie Rinnovabili S.r.l.,** abbreviated as CER S.r.l.: operating in the field of electricity production through the use of wind power;
- **BITUMTEC S.r.l.:** operating in the field of modified bitumen production;
- **ESE S.r.l.:** operating in the refining sector and in the sale of oil products to network retailers, industries, the navy and the aviation through primary distribution depots;
- **apioil UK Ltd.:** operating in the trading of oil products.

The illustration shows the Group's main downstream operating companies and wholly-owned subsidiaries. In particular, ESE S.r.l. (ESE) is the company, acquired by IP on 1 October 2023, into which the assets of Esso Italiana S.r.l. were merged and includes:

- the entirety of ESSO's fuel sales activities in Italy;
- 75.04% of SARPOM S.r.l. (SARPOM), of which Italiana Petroli (IP) already held 24.96%;
- 100% of ENGYCALOR Calore Energia S.r.l.
- 12.5% of Disma S.p.A.

However, the investee companies, e.g. Sigea S.r.l. (65%) and Sòlerys S.p.A. (51%) are not represented, although they are fully listed and described in the consolidated financial statements.



The Group Sustainability Report is published annually. This edition contains data, initiatives and projects referring to the period between 01.01.2023 and 31.12.2023 for the companies (api Raffineria di Ancona, apioil UK, Italiana Petroli, IP Industrial, BITUMTEC, IP Services S.r.l. and CER) fully consolidated within the Consolidated Financial Statements of Italiana Petroli. The representation of any social and environmental aspects that include information concerning the ESE company is better specified in the individual paragraphs and in the methodological notes. The approval and dissemination of the Sustainability Report is carried out in the same manner and timing already adopted by the Company for the approval of the Annual and Consolidated Financial Statements.

On April 13<sup>th</sup> 2022, the Shareholders' Assembly of Italiana Petroli resolved on the composition of the current Board of Directors.

The Board of Directors is the hub of corporate governance and has the broadest powers for the ordinary and extraordinary administration of the Company. It carries out its activities in accordance with the Code of Ethics, an integral part of the Organization, Manage-

ment and Control Models (MOGC).

The api Group is controlled by a stable family-led shareholding structure, now in its fourth generation, which presides over and makes up 50% of the Board of Directors. The selection process for members of the B.o.D. focuses on fulfilling the professional, personal, ethical and moral requirements of the required profile. The Board of Directors includes figures who have held positions of primary responsibility in the energy, finance, industry and transport sectors. Evaluations of members of the Board of Directors are made based on the value generated for their corporate stakeholders.

The President of the Board of Directors of the parent company Italiana Petroli S.p.A. (IP) is Ugo Brachetti Peretti. His appointment, renewed on 13 April 2022, was unanimously accepted by the Shareholders.

The Managing Director of IP, Alberto Chiarini, is a member of the Board of Directors of the parent company by appointment on 13 April 2022. His professional background in the energy world is characterised by a strong international dimension and the management of important projects in the field of energy transition.

The members of the Board of Directors consider themselves adequately trained in sustainability issues. In this regard, a training workshop was held again in 2023, in cooperation with the Politecnico di Torino (Polytechnic University of Turin), focusing on the topics of innovation in the transport sector and renewable energy, involving the President and Managing Director of IP. 90% of the members of the Board of Directors fall into the over-50 age bracket while 10% fall into the 30-50 bracket; 10% are women. All members are appointed for a three-year term.

#### The composition of the Board of Directors of Italiana Petroli S.p.A.

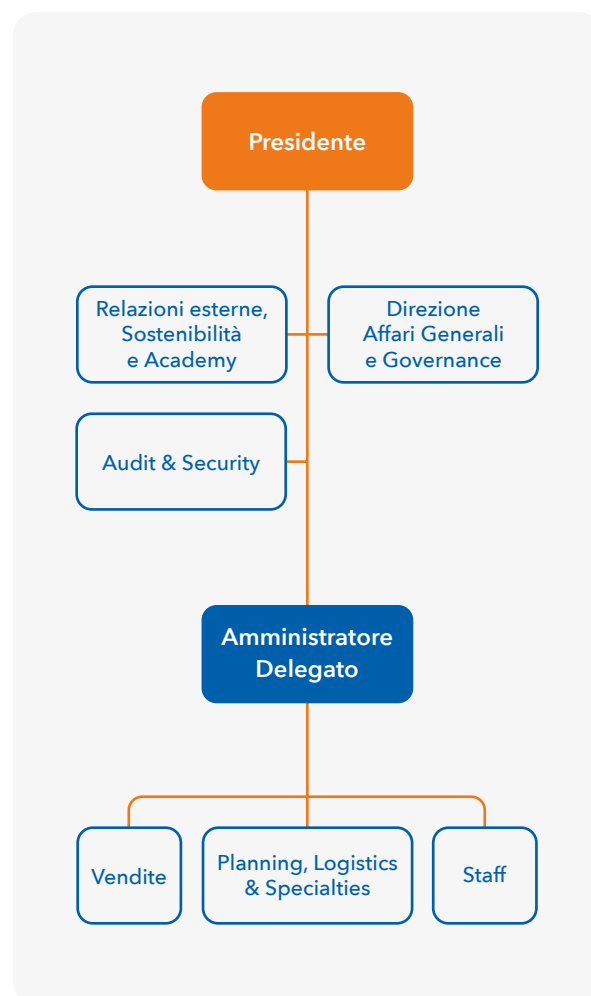
Components	Position	Genere	Age group
Brachetti Peretti Ugo	President	M	Over 50
Brachetti Peretti Aldo Maria	Director	M	Over 50
Peretti Mila	Director	F	Over 50
Brachetti Peretti Ferdinando Maria	Director	M	Over 50
Chiarini Alberto	CEO	M	Over 50
Balestra Di Mottola Leonardo	Director	M	30-50
Carabba Tettamanti Ferdinando	Director	M	Over 50
Costamagna Claudio	Director	M	Over 50
Liberatori Fabrizio	Director	M	Over 50
Carassai Roberto	Director	M	Over 50

#### Board of Statutory Advisors

Components	Position	Gender	Age Group
Galletti Gian Luca	President	M	Over 50
Frè Torelli Massini Pier Andrea	Statutory Auditor	M	Over 50
Silvestri Andrea	Statutory Auditor	M	Over 50
Schiavone Carlo	Alternate Auditor	M	Over 50
Tudini Roberto	Alternate Auditor	M	30-50

IP's corporate organization, redesigned in 2022 and depicted below, aims to guarantee transparency, flexibility and speed of execution: it includes, reporting directly to the Managing Director, the Sales, Planning, Logistics & Specialties Departments and all the Staff Functions supporting the business.

The "Sustainability" area is included in the "External Relations, Sustainability and Corporate Academy" function, which reports directly to the President of IP. This allows for the closest proximity to the company address.



## 1.5 TERRITORIAL PRESENCE AND MARKETS SERVED: AN INTEGRATED SYSTEM AT THE SERVICE OF THE COUNTRY

GRI: 2-1, 2-6; 3-3

The Group is the main operator in the fuel and mobility sector. It manages the entire downstream oil cycle, from crude oil procurement to refining, from logistics to distribution and sales. It operates with an integrated logistics system that covers all the main backbones of the country and has a high storage capacity that allows IP to supply the main airports and numerous Italian ports.

Thanks to a Network of over 4,600 IP-branded service stations, distributed throughout the country, the Group is an essential partner for the mobility of Italians: on the motorway network, it is present with 93 service stations. IP markets fuels (diesel, fuel oils and petrol) for industrial, civil and agricultural use and HVO (Hydrogenated Vegetable Oil). Sales are aimed both at industry retailers (B2B) and directly at consumers (B2C). In the Specialties sector, it markets Bitumen and Modified Bitumen (in this last area, it is the leader in Italy), Lubricants and Special Fluids, Bunkers and JET. IP, through the company CER, owns a plant for the production of electricity from wind power for a total of 30 MW of installed power. IP also manages a group of photovoltaic plants, owned and shared, distributed throughout Italy for an installed power of over 4 MW.

The Group, already active in the North-West with the Trecate and Nizza Monferrato depots, the Savona coastal depot, the BITUMTEC site in Volpiano (TO) and 26% of the SIGEMI logistics system, strengthens its presence with the acquisition of the assets of Esso italiana on October 1st 2023. In particular, it is present with SARPOM, which manages the logistic-industrial complex consisting of the 100% owned refinery in Trecate (Novara), the crude oil import terminal in Quiliano (Savona) and a network of oil pipelines (about 450 km); with the depots in Arluno, Chivasso and the Genova Calata Canzio terminal (owned). The refinery, located in the heart of the triangle between the cities of Turin, Genoa and Milan, represents an important reality, mainly for the production of fuels, and guarantees the supply of jet fuel to Milan Malpensa Airport thanks to



a direct connection via oil pipeline (about 30 km long). Through its 12.50% control of Disma S.p.A., the Group operates the centralized Jet fuel depot and a static aerial refuelling plant (Hydrant Refueling System) at Malpensa Airport. The organization also serves Milano Linate and Bergamo Orio al Serio airports. The Calata Canzio depot ensures the regular supply of marine products (fuel oil and diesel) to the port of Genoa.

IP's logistics infrastructure contributes significantly to the supply of the Po Valley and, in particular, of Piedmont and Lombardy.

The Group is present along the Adriatic strip with the Falconara Marittima refinery, the Barletta depot (owned) and the Pescara depot, where the company has a 30% stake. The refinery also produces marine fuel (bunkers) and supplies the fleets of the main companies operating in the passenger transport sector at the port of Ancona.

On the Tyrrhenian ridge, IP operates through the logistics hub in Rome (IP Industrial) which guarantees the supply of jet fuel to Fiumicino and Ciampino airports (Rome).

Through the company ENGYCALOR Energia Calore, IP controls the bitumen depot in Naples, the fuels depots in Merano and Pisa, and handles sales to both business customers and end consumers.

## IP'S INDUSTRIAL LOGISTICS INFRASTRUCTURE



### Corporate assets (IP-owned)

1. Raffineria di Falconara Marittima (Ancona)
2. Raffineria di Trecate (NO)

#### Depots:

3. IP Industrial (Roma)
4. S. Martino di Trecate
5. Savona
6. Barletta
7. IP Industrial Nord Ovest (Nizza Monferrato - AT)
8. Molo Beverello e Napoli Bitumi (NA)
9. Arluno (MI)
10. Chivasso (TO)
11. Genova Calata Canzi
12. Pisa
13. Merano (BZ)
14. De.Co. Roma,

### Third-party holding company depots

15. SIGEMI Arquata Scrivia (AL)
16. SIGEMI Lacchiarella (MI)
17. SIGEMI S. Quirico (GE)
18. Abruzzo Costiero (PE)
19. Disma Milano Malpensa

### Third-party company depots\*

20. Petroven (VE),
21. Costieri D'Alesio (LI)
22. Fognoli (PG)
23. Saccla (NA)
24. Napoli
25. Ravenna
26. Vibo Valentia
27. Palermo
28. Augusta (SR)
29. Oristano
30. Vado Ligure (SV)
31. Milano Linate
32. Bergamo Orio al Serio

\* briefly listed



The Group's articulated logistics and industrial system supports the distribution and fuel sales activities of more than 4,600 IP-branded service stations and supplies Esso-branded petrol stations under the Branded Wholesales agreement, of which IP is the licensee following the acquisition on 1 October 2023.

IP's logistics infrastructure also has the capacity to supply customers of the entire Group's Non-Network channel throughout the country. In this channel, the delivered volumes are split 50/50 between the Northern and Central Southern Area, and mainly use proprietary logistics bases, ensuring coverage on the Tyrrhenian and Adriatic sides. Non-network makes use of a commercial structure consisting of direct sellers and local agencies to ensure the most effective proximity to retailers and end customers, which was aided by the acquisition of ENGYCALOR Energia e Calore.

#### Representation of product marketing capacity\*

2023	TONS/000	di cui export
Network	3,781	-
Non-network	2,568	14
Jet	1,229	-
Specialties	684	-
Bunker (bunker+marine diesel)	151	-
Fuel oil	365	355
<b>Totale</b>	<b>8,780</b>	<b>369</b>

*\*The numbers shown in the table do not include the results of ESE, which operates in the refining sector through the limited liability company Raffineria Padana Olii Minerali (SARPOM S.r.l.), owner of the refinery of the same name located in San Martino di Trecate (NO), and also operates through primary distribution depots and through the sale of oil products to network, industry, marine and aviation resellers.*

Thanks to the activities of the Falconara Refinery, the BITUMTEC centre of excellence and the processing accounts with the companies Valli Zabban and Alma Ravenna, IP guarantees the marketing of bitumen, the basic glue for the production of asphalt. They are in fact the essential element in the construction of road infrastructures and are at the origin of draining asphalts, which are useful for creating safer conditions for drivers and extending the life cycle of road surfaces. The bitumen sector's logistics supply chain has also increased with the addition of a coastal depot in Naples, following the acquisition of Esso Italiana's assets, which makes it possible to meet the demand of the Central and Southern Italian market.

The production and use of high-performance lubricants allow, especially in combination with OP-TIMO, better engine performance and further contribute, albeit indirectly, to the overall reduction of emissions and waste. A well-lubricated engine consumes less and requires fewer oil changes. The lubricant product catalogue also includes IP Geo-Ecoguard, a lubricant oil dedicated to power-driven cutting equipment and designed not to damage the balance of the ecosystem of the forest areas where it is used. Its balanced formulation, based on vegetable oils, which are particularly resistant to low ambient temperatures, makes it more than 90% biodegradable. Total sales reached 38,000 kg in 2023.

The Group is therefore an essential partner of air and naval transport in Italy, ensuring the timely supply of jet fuel and marine fuels to major airports and numerous ports throughout the country.

Through its own LPG logistics chain, the Group is able to meet widespread demand throughout the country.

Thanks to the acquisition of Esso's Italian assets, the Group's total refining capacity increased from about 5.5 to about 10 million tons and is composed of the entire capacity of the Ancona Refinery, the Trecate Refinery (Novara) and the tolling agreement at the Alma Refinery (Ravenna). IP has a highly usable storage system (primary logistics) with a capacity of about 5 million cubic metres.

IP's widespread logistics system enjoys a high degree of supply and distribution autonomy. In fact, about 80% of the fuels released for consumption come from its own bases.

The origin of the crude oils and products purchased in total by the Group in 2023, for release for consumption or processing, is as follows:

#### Crude oils area of origin

Middle East	57.6%
North Africa	15.0%
Eastern Europe and Caucasus	12.6%
North Europe	7.4%
North America	3.3%
Central Africa	2.0%
South America	1.5%
Europe	0.6%

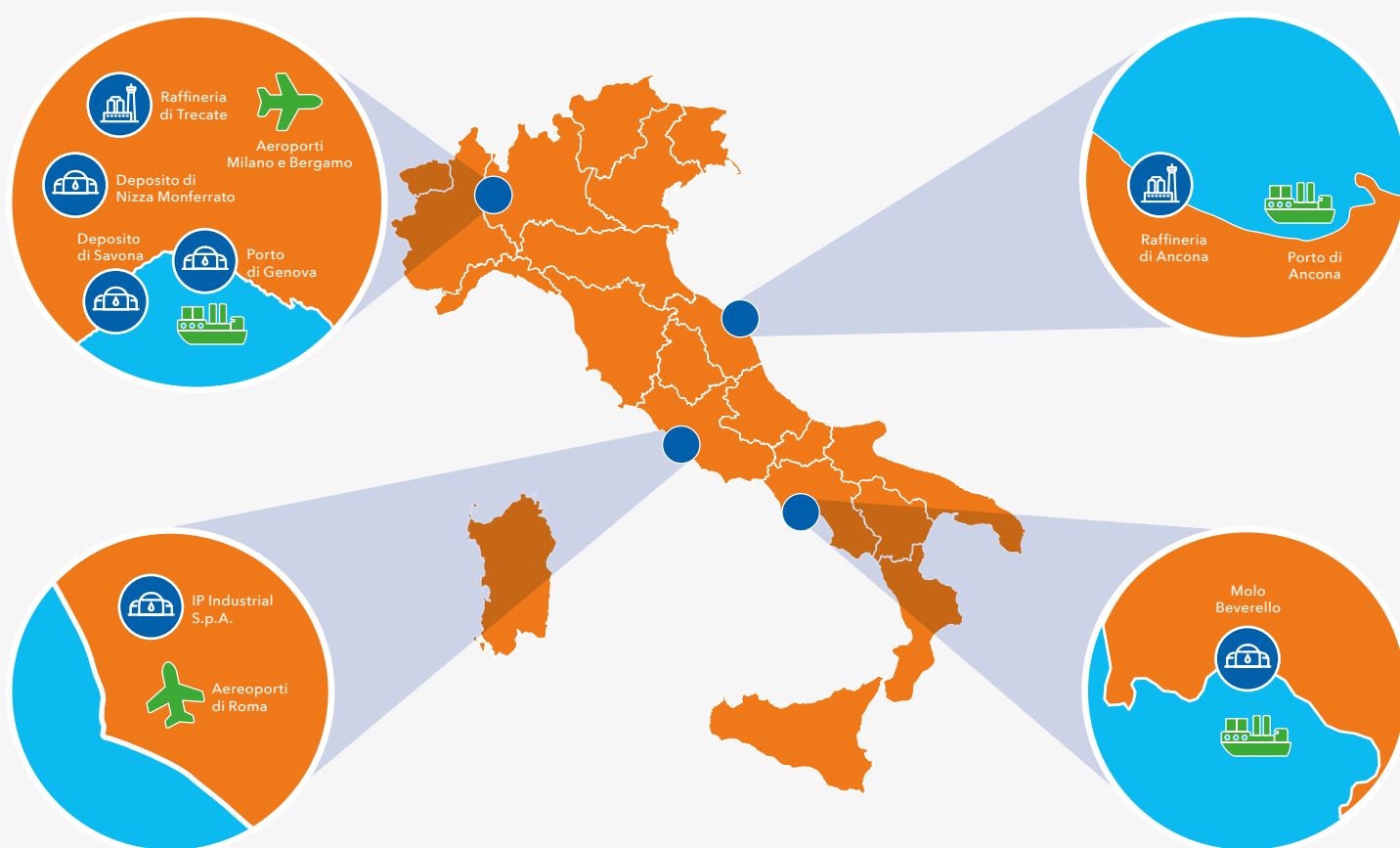
### Products area of origin

Middle East	44.5%
Europe	31.3%
Far East	16.3%
Italy	6.7%
Eastern Europe and Caucasus	1.1%
North Europe	0.1%

It is thanks to the large integrated logistics system that it was possible to design, introduce and develop the innovative OPTIMO fuels (see subsection 2.5.5). Product purchases from third-party bases represent further efficiency enhancing solutions for the system in order to balance and optimize distribution costs by reducing transport kilometres. In fact, the secondary logistics function operates

in the context of a constant search for efficiency by pursuing the optimization of transport from the primary bases to the Points of Sale through daily trip planning.

The objective is to minimize the number of kilometres travelled by maximizing the amount of cargo destined for the individual plant. In 2023, product tankers travelled a total of 24.7 Mkm (this figure does not include information from the ESE perimeter). In order to ensure maximum safety on every journey, which also has a positive impact on compliance with the law, IP requires that the entire contracted fleet of vehicles be equipped with GPS. In this regard, the company has joined the CCISS (Road Safety Information Coordination Centre) road safety platform, which has seen several agreements signed between stakeholders to better monitor the transport of dangerous goods and improve road safety and security.



## IP'S DISTRIBUTION NETWORK

IP has the largest and most extensive distribution network in Italy with over 4,600 points of sale: a strategic infrastructure to facilitate the transition and on which the most innovative forms of energy and services for everyone's mobility can be based.

**100%** *Regions served*

*Greater presence in the area*



**4,626**

Total IP points of sale

**549**

Points of sale with LPG

**52**

Points of sale with methane

**2**

Points of sale with LNG

**39**

Points of sale with electric recharging

**119**

Active charging points,  
**44 ultrafast**



more than  
**700,000**  
refuelling per day



approx  
**2,000**  
non-oil activities



more than  
**1,200,000**  
litres per point of sale  
(average annual delivery)



approx  
**500,000**  
active oil cards



**17,000**  
induced network



more than  
**50,000**  
fuel cards customers

As of December 2023, 39 service stations equipped with electric charging stations were in operation, with a total of 119 charging points. Investments in the development of electric recharging infrastructures at the Network's distribution sites led to the opening of the first 4 charging points in 2023 as part of the "EV Station 2.0" project, supported by the European Commission - Connecting Europe Facility. Also during the year, IP started a further 26 sites, which, in addition to the previous 4 openings, increase the planned new infrastructure to a total number of 30 outlets for a total of 126 ultra-fast charging points that will be active in the first quarter of 2024.

ELECTRICAL SALES POINT NETWORK		
2022	2023	2024
ACTIVE POINTS OF SALE		
35	39	120
ACTIVE CHARGING POINTS		
97	119	435
	of which ultrafast	
28	44	368

IP favours the distribution of natural gas in its network in both gaseous and liquid form in order to reduce CO<sub>2</sub> emissions and environmental impact, in terms of nitrogen oxides and particulate matter, even in heavy transport. There are 52 IP-branded service stations equipped with compressed natural gas, plus two stations with liquefied natural gas (LNG).

There were six new openings in 2023. Six more openings are planned for 2024, and two more CNG service stations will be built in 2025. Through the modernization project (new installation and revamping) of outdated facilities, IP is able to offer a level of service that is more effective and faster in terms of delivery time to consumers.



## OUR SITES



### italiana petroli S.p.A. - ESE S.r.l. IP Services S.r.l. - CER S.p.A.

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00138 Roma (RM)  
tel: 06 - 84931

### apioil UK Limited\*

Kingsway House - 103 Kingsway  
WC2B 6QX London (United Kingdom)  
tel: 0044 (0) 207 405 2640

### api Raffineria di Ancona

Via Flaminia, 685  
60015 Falconara (AN)  
tel: 071 - 91671

### BITUMTEC S.r.l.

Via Amalfi, 4  
10088 Volpiano (TO)  
tel: 011-970401

### Raffineria SARPOM

Via Vigeveno, 43  
Frazione San Martino  
28069 Trecate (NO)

### IP Industrial S.p.A.

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00165 Roma (RM)  
tel: 06-655981

\*The trading of oil products on the international market is carried out by apioil UK Limited, based in London (UK).

## 1.6 ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001 AND CODE OF ETHICS

GRI: 2-1; 2-6; 2-15; 2-16; 2-23; 2-26; 2-27; 205-1; 205-2; 206-1; 3-3

Legislative Decree No. 231/2001, as amended, introduced into the Italian legal system the "Regulations on the administrative liability of legal persons, companies and associations, including those without legal personality", providing for a range of sanctions (fines, disqualifications, confiscation, publication of the sentence) where such offences are committed by directors, employees and collaborators (including external collaborators) of the company, in the interest or to the advantage of the company, with the liability of the company being established in court.

Each api Group company has adopted and effectively implemented an Organization, Management and Control Model (MOGC), pursuant to Legislative Decree 231/2001, which regulates and defines the management of the risks of offences being committed through physical, IT and organizational measures to contain them. These include:

- Specific procedures,
- proxies,
- ethical standards,
- levels and control bodies.

The MOGC of each of the organization's companies is an evolved model designed with a view to integrated compliance with other legal disciplines, including Legislative Decree 81/08, Legislative Decree 24/23 and privacy legislation. The general part of the MOGC has been implemented and enhanced with antitrust and anti-corruption guidelines.

The Board of Directors (or sole director) of each Group company has appointed a Supervisory Board (SB), endowed with autonomous powers of initiative and control, with the task of supervising the operation and compliance with and adequacy of the MOGC and reporting any need for updating.

The IP SB has a collegial composition. It is made up of three members (two internal and one external) and is responsible, inter alia, for verifying reports of critical conduct with respect to the law, the MOGC and the Code of Ethics, guaranteeing the full confidentiality of the reporter, the reported person and the facts being reported.

Complaints to the SB can be made through several channels: direct interviews, dedicated mailbox, voicemail and through a state-of-the-art whistleblowing application. The latter was designed with the methodology of integrated compliance, i.e. compliance with several sources: Italian Legislative Decree 231/2001, Legislative Decree 24/23, privacy regulations and the 2018 guidelines of the Italian Competition Authority. In order to eliminate barriers to reporting and whistleblowing, the application was designed to also allow for anonymity. Any critical communications are forwarded to the highest governing body of the Group's companies following information flows provided for by the Governance and the MOGC of the companies themselves (also through SBs and DPOs).

With reference to the year 2023, there are no significant critical issues on anti-corruption and privacy issues. The few reports received through the Whistleblowing application did not concern these issues or the specific scope of the discipline 231 and have in any case been instructed and defined with archiving. Finally, it should be noted that following an anonymous report on the AGCM's Whistleblowing platform, with a provision in July 2023, the latter has launched an investigation (still in progress at the date of publication of this document) vis-à-vis the Company in order to verify the merits of the allegations, namely the alleged existence of infringements of Article 101 TFEU would be concretized through a "cartel" between the major oil companies in the marketing of biofuels. The investigation and related proceedings are expected to be completed by December 2024 after the Authority has collected and considered All Documentation and Defensive Deductions submitted by the companies in their own defence.

All MOGCs are tailored to the reality of individual companies, taking into account the specific business, the activities carried out in practice, the production processes and the stakeholders with which each corporate entity interacts. A system of procedures and rules aimed at reducing the risk of offences being committed as well as an articulated

system of proxies form the basis of each model.

Among the procedures, drafted and adopted by IP and applicable to the Group, the following stand out:

- anti-corruption,
- safety of people,
- supplier qualification,
- management of purchases,
- information and data security,
- environment,
- payments and accounting flows,
- participation in public tenders,
- applying for public fundings and contribution,
- authorization process for expenditure and investments,
- whistleblowing.

The Code of Ethics is an integral and essential part of the MOGCs of api Group companies. The recipients of the ethical standards are all stakeholders: employees (and equivalent figures), senior management, members of corporate bodies but also suppliers and consultants.

In order to create a shared culture of corporate values with all the recipients of the ethical standards, each company in the organization has adopted a new version of the Code of Ethics, introduced and disseminated since 2023. The document, more inclusive and evolved, has been transformed from a prescriptive compendium into a modern statement of Group Values, shared by all people in the IP world who identify with a common corporate culture. The Code of Ethics moves from being a statement of legal and procedural obligations, handed down from above and fulfilled for fear of sanctions, to becoming a real behavioural compass for all recipients. The new Code of Ethics of the IP world becomes the driving force behind a widely felt culture of ethics and shared accountability.

The rules contained in the Code mainly concern the following areas:

- People and corporate bodies,
- Local communities,
- Suppliers,
- Partners,
- Environment,
- Customers,
- Public administration and private relations,
- Market and competition,
- Personal data and confidential information,
- Brand.

To support the Code of Ethics, the following instruments are included:

- Integrated organization, management and control model,
- Compliance Function,
- Corporate Academy,
- "Whistleblowing" Application,
- Supervisory body,
- The DPO figure (Data Privacy Officer),
- Audit & Security Function.

During 2023, the Audit & Security Function, within which the Internal Audit, Security and Operational Inspections Units operate, continuously monitored the relevant corporate risk areas, with the aim of protecting corporate assets and verifying the functionality of the internal control system.

Those who work in and for the Group are committed to observing and enforcing these principles within the scope of their duties and responsibilities. Observance of the Code of Ethics ensures proper functioning, reliability and protects the reputation of the Company.

All the Group's activities must be carried out with honesty, integrity, good faith, respecting the rights of third parties, employees, shareholders, commercial and financial partners and in general of anyone involved in IP activities. Preventing or avoiding a conflict of interest and respecting the discipline and the laws that regulate it (referred to in the Company's MOGC) are inalienable values for the Company. In fact, if a person in the Group is involved in activities on behalf of the Company, the omission of any personal interest or that of a family member, relative or third party is not permitted.

The Group's Code of Ethics lists the activities each person undertakes to comply with in order to prevent, avoid and manage a conflict of interest. The Code is available on the Group website [ip.gruppoapi.com/il-gruppo/governance/codice-etico/](http://ip.gruppoapi.com/il-gruppo/governance/codice-etico/)

All the organization's policies and procedures, including those on anti-corruption, are communicated to the entire corporate population, including the governing bodies, and are always available on the corporate intranet.

It should be noted that apioil UK has adopted the Bribery act and the Human Slavery act under English law.

## 1.7 BUSINESS RISKS

GRI: 2-23; 2-24; 2-25; 2-27; 406-1

For the management and mitigation of business risks, IP carries out an annual audit programme. The programme is mainly based on the corporate risks mapped within the Organization, Management and Control Model and, as necessary, is supplemented with activities aimed at preventing and mitigating emerging risks (e.g. geo-political risks and health risks). The programme is part of the company's internal control system, completing, with third-party audits, the monitoring of the areas considered most at risk. Second- and third-party audits of IP partner companies are becoming increasingly important in the programme.

During 2023, the Audit & Security Function, through the activities carried out by the Units operating within it, carried out a total of 20 audits, of which 9 were process audits, 9 were "second part" audits referring to suppliers of goods and services and 2 were third level audits conducted by Third Party Entities. The macro-areas covered by the process audit were: Primary Logistics, Marketing, Network and Non-Network Sales, Health and Safety and Human Resources.

The progress of mitigation actions is constantly monitored and subject to follow up both with process owners and with the IP Organization Function for the updating of the reference Group procedures.

The audits conducted did not reveal any critical issues concerning compliance with internal environmental and socio-economic laws and regulations, nor any impact on the health and safety of the Group's customers.

In the same audits, no episodes of corruption, anti-competitive behaviour, and violations of antitrust and monopolistic practice regulations, as well as discriminatory behaviour, were found.

In view of the importance of suppliers of goods and services for the company's "business continuity", the Department carried out second-party audits on suppliers (e.g. security services, fuel transport, money collection and transport) with the aim of verifying: compliance with service levels, possession of licenses, certifications, insurance and documentation required by sector regulations, proper management of privacy-related aspects, adequacy of business continuity and disaster recovery plans, and the drafting of a sustainability report.

The actions resulted in recommendations and improvement plans, the implementation of which is followed up in a structured manner by the Function.

The Third-Party Audits concerned the Group's Port Facilities (port activities at industrial sites), to verify the correct execution of the procedures in force following the publication of the new National Maritime Security Programme (PNSM - 20/9/2022), which introduced the obligation of a 'background check' for all entities operating continuously in these areas. The audits resulted in suggestions for system improvement (through quarterly exercises and self-assessment of the whole structure to be carried out periodically).

The audits on LPG transport and delivery involved the verification of the correct application of ADR regulations, associated with first level checks.

Also, for 2023, we highlight the absence of significant fines and non-monetary penalties for non-compliance with social and economic laws or regulations or environmental regulations, to be borne by IP.

With regards to the risks arising from the parallel fuel market, IP has deemed it appropriate to make a concrete contribution to fair competition between downstream operators, increasing the use and spread of digital forms of payment, constantly improving, and monitoring the product supply chain and implementing, in agreement with the Police Forces, concrete actions to monitor and combat criminal phenomena.

In this sense, in continuity with what was done in previous years and through the Audit & Security Function - Security Unit, it also guarantees the acquisition, analysis and collation of information and data coming from the territory for close contact and sharing with the competent Authorities.

Investigation activities were also developed to combat fraud on lubricants and, in particular, on the marketing of counterfeit IP-branded lubricants (for which a complaint/lawsuit was subsequently filed with the Guardia di Finanza) and to investigate a case of tax fraud relating to the export of IP-branded lubricants (the activity was unsuccessful).



## 1.8 TOOLS TO PREVENT ANTI-COMPETITIVE BEHAVIOUR AND BEHAVIOUR INHERENT IN PUBLIC AND PRIVATE CORRUPTION

GRI: 3-3; 2-23; 2-26; 205-1; 205-2; 205-3

In order to enable the organization to safely achieve its core objectives, while preserving the company's good name and public trust with regard to fairness in operations and management, IP has put in place an antitrust compliance plan.

The plan pursues the following objectives:

1. Recognition of the value of competition in the Group Code of Ethics;
2. Issue of specific antitrust guidelines incorporated into the Organization, Management and Control Model and forming an integral and essential part of it. These guidelines are accompanied by the relevant rules of conduct and system of sanctions;
3. Information activities. All the organization's policies and procedures on anti-corruption are communicated to the entire corporate population, including the governing bodies, and are always available on the corporate intranet;
4. Training activities;
5. Introduction of the Antitrust Compliance Officer from May 2022;
6. Process monitoring and auditing activities;
7. Channels for reporting violations (whistleblowing) implemented in a multi-compliant manner in compliance with antitrust guidelines, overseen by the Antitrust Compliance Officer.

The Company, through the introduction of the integrated Compliance, Antitrust and Privacy Function, has in fact made available to all people working in the Group a useful tool to guide behaviour and achieve compliance of corporate actions, including with regard to antitrust and anti-corruption issues.

In fact, the focus of the department's activities is on assessing the risks of non-compliance and monitoring the existence of appropriate measures to prevent and reduce risks, of a legal, financial and reputational nature, arising from the violation of laws and regulations, as well as internal company rules.

With regard to combating corruptive behaviour, IP has adopted a series of tools:

- new anti-corruption guidelines and rules of conduct set out in the MOGC general part;
- recognition of the value of the fight against corruption in the code of ethics;
- procedure for relations with the public administration;
- system of sanctions incorporated into the general part of the MOGC;
- a Whistleblowing channel, governed by the SB, that guarantees the possibility of reporting critical conduct in terms of corruption, even anonymously;;
- specific ongoing training.

By means of the specific "Relations with the Public Administration" procedure, IP informs and raises awareness among employees and third parties, connected to the company's activities, concerning the "responsibility and consequent sanctioning of companies in relation to certain offences committed (or even only attempted) by directors or employees, in the interest or to the advantage of the company itself".



### THE PROCEDURE FOR RELATIONS WITH THE PUBLIC ADMINISTRATION

The procedure for Relations with the Public Administration applies to the employees of each Group company (wherever they operate and are located) and to third parties (e.g. contract workers, consultants and other self-employed collaborators, as well as all those who enter into work, service and supply contracts) who, in the performance of their activities, come into direct contact with representatives and/or staff employed in the Public Administration. It governs the principles and modalities to which Company employees must adhere when dealing with representatives of the Public Administration, also for the purpose of monitoring pursuant to Legislative Decree 231/01. Prior to the meeting with the PA, interested personnel must send a specific e-mail to the dedicated mailbox, strictly stating the information concerning the meeting.

The archive with all e-mail exchanges between senders and recipients is made available to the SB, which receives a report with the indicators of the reports from the External Relations, Sustainability and Academy Department every six months.

In 2023, there were 136 communications coming mainly from the Functions (Institutional Relations, Commercial Network, Technical and Maintenance) that have the most relations with the Public Administration.

Ongoing anti-corruption training reinforces the fight against corruption that IP puts into practice in its own organization. During 2023, 60-minute courses on Legislative Decree 231, whistleblowing and the Public Administration Relations procedure were organized and made available in the Group, carried out with in-person and online training through IP's dedicated platform.



## 1.9 INTERNAL WHISTLEBLOWING AND ANTITRUST: A MULTI-USE PROTOCOL

GRI: 3-3; 2-16; 2-26; 2-29; 206-1

Since February 2023, IP has adopted a multi-compliant whistleblowing protocol as a tool to prevent corruption, illegal conduct and anti-competitive behaviour. The innovative solution introduced avoids procedural layers and optimizes the use of tools to prevent and fight unfair competition and corruption. By adopting the methodology of integrated compliance and starting from a combined reading of different regulatory packages, IP adopts protocols with multiple and amplified utility, as in the case of whistleblowing. The tool was designed to be compliant with Legislative Decree 231/2001, as amended, with Legislative Decree 24/23, with the indications of the Privacy Guarantor and with the guidelines on anti-trust compliance issued by the Italian Competition Authority (AGCM). Whistleblowing protocols are added to the variety of solutions that IP puts into practice to counter unlawful behaviour: ethical rules, procedures and delegations dictating the liturgy of relations with the public administration, parameters or bans on gifts, various levels of control of company conduct and adequate training. The introduction of a single application, of the latest generation in terms of IT, is an original solution that makes it possible not to duplicate organizational tools and to abandon compartmentalized implementation of rules. In this way, IP experiments with a symmetrical and integrated reading of the legislator's requests, responding with a single tool in execution of Legislative Decree 231/2001 as amended and implementing its use also in the light of Legislative Decree 24/23 and the 2018 Antitrust Guidelines, all in compliance with the indications provided by the Privacy Guarantor.

The anti-corruption system, of which the application is an integral and essential part, is reinforced by two Group decisions:

1. the application has been adopted by IP and its subsidiaries, regardless of the legal obligation calibrated to the size threshold, for a more effective and systemic fight against corruption on the basis of the accountability principle;
2. the whistle-blower can make complaints, even anonymously, to encourage whistleblowing.

The application, unique for the Group, has segregated reporting channels for each company that has adopted the protocol. The potential whistle-blower can write on the application or report the alleged offence through a dedicated telephone number, while also maintaining anonymity. Under no circumstances can the narrator be traced, regardless of whether they write or verbally recount the event. The application is accompanied by forms designed ad hoc and profiled on the basis of the reference context of the reported conduct (Legislative Decree no. 231/01, Legislative Decree no. 24/23 or competition and/or consumer protection legislation) in order to guide the whistle-blower to a targeted account that excludes narrative excesses that are irrelevant to the fact being told. The investigations of relevant cases in the light of Legislative Decree 231/2001 and Legislative Decree 24/23 are referred to the SB of each company, while those relevant to antitrust are referred to the assessment of the Antitrust Compliance Officer following the Group. Technical IT guarantees protect not only the reporter but also the content of the narrative and the subjects mentioned. The software is designed to separate the identification data of the reporter from the content of the report, to handle reports transparently through a defined procedural process, or to keep the content of reports confidential throughout the entire report handling phase. The use of the new portal entailed updating the procedural body ("Whistleblowing Management" Procedure).

The design of the multi-compliant whistleblowing protocol is an opportunity for innovative synthesis to implement corporate legality, activated by each Group company and published on the website [ip.gruppoapi.com](http://ip.gruppoapi.com).

The multi-compliant whistleblowing protocol facilitates the implementation of optimised training in a single module explaining the use of the application in which it is possible for all stakeholders to report conduct in breach of the Code of Ethics (which contains an anti-corruption section), the MOGC integrated with the anti-corruption guidelines, the offences set out in Legislative Decree 24/23 and conduct reprehensible in the light of antitrust rules protecting markets, fair competition and consumers.

## 1.10 ETHICS AND DIGITAL SUSTAINABILITY

GRI: 2-25; 2-29

In an era of radical changes, resulting from a revolution triggered by artificial intelligence, the issue of data protection, circulation and enhancement appears central. There is a need for an economic model of sustainable development, based on the adoption of practices that favour the least environmental impact, with considerable benefits: consumer and investor confidence, strengthening of reputation. The data processing underlying any process, product, service or application affects the environmental performance of any organization. Think of the impact in terms of emissions of infrastructures, devices and communication tools, as well as that resulting from online activities. As a result, the development, in all its phases, and the use of increasingly advanced artificial intelligence algorithms involves a major environmental burden.

All api Group companies pursue as an ethical value everyone's right to protection of personal data. Such data must, in fact, be processed in accordance with the principle of fairness, for specified purposes, on the basis of a legitimate premise laid down by law (e.g. exercise of a right, legitimate interest) or with the prior consent of the person to whom the data belong (the data subject). For the individual Group companies, it is essential to make correct choices with regard to data sources, the architecture of information, the "explainability" of processes and results and, more generally, the fundamental principles on the correct processing of personal data. The latter is an objective pursued by all Group companies through careful organizational choices, in particular, by adopting an ad hoc organizational model, duly proceduralised, and by appointing a Group Data Protection Officer. In this regard, it should be noted that no substantiated complaints were received during 2023 concerning breaches of customer privacy.

The governance model that IP is cultivating, in addition to taking into account compliance with the regulations applicable on a case-by-case basis, also aims to include assessments of the environmental impact (including energy) of technologies and of the underlying data processing.

Lower environmental impact and energy saving logics inspire the corporate guidelines for 2024 that aim to gradually phase out paper-based media. Consider, for example, the choice of favouring, as done for supplier

disclosures, the use of GDPR Article 13 disclosures on the company website, thus limiting the production and storage of paper documents.

Following the principle of minimization, processing only the data that are strictly necessary for the pursuit of the specific purposes identified translates, in terms of sustainability, into fewer resources being used for their collection, storage and deletion, with a reduction in the related environmental and energy impacts.

In line with the principle of limiting data storage to only as long as is strictly necessary to fulfil the purposes for which it is processed, the environmental cost of storing information on servers and in folders can also be limited over time. By 2024, IP will implement campaigns to clean up data storage systems, thus introducing an efficient and systematic means of reducing environmental impacts and related burdens. Even the material deletion of data and related media will have to take place using techniques and methods selected according to the rule of least environmental impact.

### STATE OF PRIVACY 2023

IP participated, through the Group DPO, in the "State of Privacy 2023" event. A project by the Italian Personal Data Protection Authority, which brought together more than 250 representatives of national and international institutions, public administrations, big tech, media and communication services, large companies, also from the financial world, as well as experts, scholars and personalities from academia and scientific research, with the aim of developing a constructive discussion on issues related to the protection of personal data. In this context, the work of several tables, including the one on sustainability, was initiated for the first time. IP took part in this last working table together with 8 other major national companies to discuss the guiding question formulated by the Guarantor. From the fruitful and active discussion between the different professional experiences, a position paper was produced in response, which was forwarded to the Guarantor. One of the points of the positioning concerns the inclusion of the DPO within the sustainability committees.

During 2023, the IP domain's e-mail traffic saw almost two million incoming messages and about half of them outgoing. Except for weekends (Saturday-Sunday), the daily average was over 35,000 incoming and over 7,000 outgoing e-mail messages.

The security and control systems set up by the designated functions manage to filter and block the majority of threats coming from the network in special lists. It remains, of course, the responsibility of the individual user to correctly assess a message received, especially if it comes from outside the organization.

Through courses and updates about cybersecurity, users have achieved a good level of awareness and have developed analytical skills that help them detect, delete or block all messages deemed suspicious on their own. Internal users were provided with a "security\_incident" mailbox to which reports of suspicious addresses could be sent.

For greater protection of company accounts, IP introduced the third authentication factor for mail access from external networks two years ago. According to an analysis, the highest number of blocked attack attempts (Geo-Blocking) came from foreign countries.



According to the study carried out annually by Clusit (Italian Association for Information Security), the number of successful attacks is on the rise compared to previous years. With an observation period of semesters from 2018 to 2023, an almost constant progression of attacks can be observed. The techniques used by hackers are many (Malware, Phishing, DDoS, Identity theft, Software vulnerabilities). Of these, the most widespread techniques are malware (in over 35% of cases) and phishing (21.1% of cases).

**Malware** (i.e. malicious software) refers to a programme created specifically to perform an activity to the detriment of those who unknowingly use it. Inside the code are instructions that, if activated, can allow the attacker to take total or partial control of the system on which the virus has been triggered. **Phishing** is a technique whereby the attacker asks the user to provide their personal information (credentials, financial accounts, credit card codes, etc.), directing the victim to fake sites that reproduce, often very faithfully, the original sites they normally use (e.g. a bank). Both types of attack have certain characteristics in common:

- they use mass mail or SMS messages that reproduce the style and graphics of the alleged sender
- the content of the messages often indicates conditions of particular urgency that induce the recipient to take immediate action (blocking of bank account, unscheduled debit, account expiry or pending delivery by a courier)
- they contain an attachment to open (malware) or an activation link that takes the user to a page on which to enter the information the attacker is trying to collect.

A more specific phishing technique is '**spear phishing**' by which the attack is directed at a specific subject, who is meticulously studied in order to maximize the chances of the scam being successful. To give a practical example, the attacker could intercept the victim's communications by accessing e-mail exchanges with a specific provider. The aim is to be able to get in at the final stage to provide their own bank details in place of the supplier's legitimate ones. Today, the evolution of protection tools makes it possible to promptly intercept the majority of malicious e-mails and to neutralize attack attempts by first checking the links contained in the e-mails to validate their reliability. On individual workstations, antivirus software (if appropriately updated) helps prevent any damage resulting from the activation of malicious software.



# **02** ***SUSTAINABILITY*** ***AT IP***









## 2.1 SUSTAINABILITY GOVERNANCE

GRI: 2-12; 2-13; 2-14; 2-23; 2-24; 2-25; 2-28

For more than five years, IP has voluntarily embarked on a path of change geared towards sustainable economic, social and environmental development. In fact, the Group's actions are guided by the Values that distinguish it and inspire the objectives to be pursued: the Sustainability Report becomes the document in which IP recounts the commitments, initiatives and projects implemented.

Concepts such as responsibility and transparency are key principles for a sustainable company and as such are also reflected in the Sustainability Policy and Guideline, adopted by IP as of December 2022. IP's Sustainability Policy, inspired by the United Nations' Sustainable Development Goals (SDG's) and the Group's values as represented in the Company's Code of Ethics, is available to internal customers on internal communication channels and to all stakeholders on the Company's corporate website. Through the Sustainability Guideline, the organization provides guidance on how to transpose the principles of economic, social and environmental sustainability into the Group's procedures as well as into the Company's activities for reporting on IP's non-financial activities. Consistent with the Values that characterize the attitude of IP People, everyone is given the responsibility of making consistent decisions towards their stakeholders and directing daily activities in compliance with the principles identified in the Group's Sustainability Policy and Guideline. Clear reporting of the sustainable practices adopted, the implementation of collection mechanisms, timely monitoring and effective communication are the elements necessary to strengthen and nurture the daily dialogue with all stakeholders.

Integrating sustainability principles into their business and day-to-day activities, involving stakeholders and encouraging more active participation facilitate more inclusive decision-making and contribute directly and indirectly to achieving the Sustainable Development Goals (SDG's) of the UN 2030 Agenda.

With the intention of building a structured listening and involvement process, IP creates a relationship with its stakeholders by listening to their needs, and sharing data and information on the Group's activi-

ties, considering them essential elements for creating two-way communication.

The Sustainability Report is the Group's main representation document and allows for the monitoring of the organization's social, economic and environmental commitment. It highlights the qualitative and quantitative improvement targets that IP sets and reviews annually. IP prepares the Sustainability Report following the GRI (Global Reporting Initiative) international indicators and complies with the disclosures of the 2021 Oil & Gas industry standard and its updates.

Sustainability is in fact a tool for addressing environmental, social and economic challenges, and with good Sustainability Governance, the organization is able to effectively direct actions towards pursuing long-term sustainable goals.

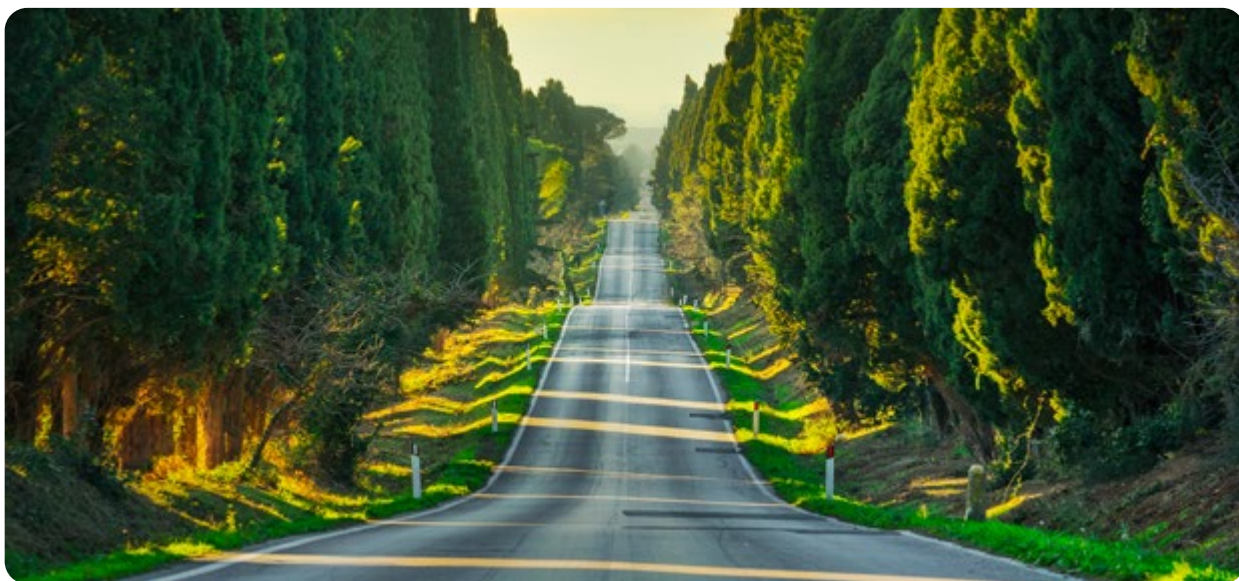
IP adopts an integrated approach to ESG issues, defining policies, decision-making processes and accountability mechanisms to ensure that all Group companies integrate sustainability into their daily operations:

- Sustainability Committee;
- External Relations, Sustainability and Academy Function;
- Central Working Group;
- Thematic contacts.

The Sustainability Committee is chaired by the Managing Director and is composed of the Director of Human Resources, the Director of Administration, Finance and Control (both are also members of the Board of Directors), the Head of External Relations, Sustainability and Academy, the Director of Legal Affairs and Compliance and the Head of HSE (Health, Safety, Environment). The same directorates and functions are represented in a permanent Central Working Group.

The Committee has the task of:

- setting sustainability objectives and guidelines to be adhered to by the entire Group;
- directing the work, approving the work plans,



promoting and validating the actions proposed by the Central Working Group;

- overseeing the proper achievement of the set objectives.

The External Relations, Sustainability and Academy Function is responsible for the progress of the Project and the creation of the Sustainability Report. It leads the Central Working Group made up of the Heads of Management Control, HSE, Corporate Organization and Compliance. It monitors the results and updates the reference indicators, and also promotes the culture and values of sustainability through training initiatives. From December 2023, the Data Protection Officer (DPO) will also be part of the central working group to ensure information exchange, control measures and good sustainability practices, even on the privacy side.

The Central Working Group coordinates and supports the Thematic Contacts of the various corporate functions, drafts the Sustainability Report, liaises with the Auditor to certify compliance with international reference standards and draws up the final document for approval by the Board of Directors.

The Thematic Contacts are the employees representing the functions they belong to, covering all the corporate areas involved in the collection of sustainability data.

They provide operational support in retrieving data assigned by the Working Group; they contribute to the preparation of the draft Sustainability Report by proposing initiatives, activities and projects relevant

to the reporting of non-financial activities.

To ensure a continuous comparison with the best public and private experiences in terms of sustainability and to support the dissemination of the values and culture of sustainability, starting with the goals set out in the United Nations 2030 Agenda, IP has signed a multi-year agreement with ASviS (Italian Alliance for Sustainable Development).

#### **SUSTAINABILITY POLICY**

IP's Sustainability Policy applies to all Group companies and is publicly available on the company website [www.ip.gruppoapi.com](http://www.ip.gruppoapi.com), in the Sustainability section.

Defined in the policy are:

- IP's Values (Values arise from the Group's history, guide its actions and direct its future development; they influence business decisions and responsible choices towards stakeholders; they strengthen the level of integration of IP people and inspire the Company's organization);
- The principles of Sustainable Development (an effective sustainability strategy starts with incorporating the principles of sustainable development into the Group Values);
- The areas of commitment (Environmental, Social and Economic in which to create value);
- The core principles of stakeholder relations (Transparency, Listening and Accountability).

## 2.2 IMPACTS AND MATERIAL THEMES

GRI: 2-12; 2-25; 2-29; 3-1; 3-2

IP renewed the methodology for the identification process of its material themes in line with the evolutions in the international reporting of non-financial activities, introduced by the Global Reporting Initiative with the new GRI standards and the specific standard “GRI 11: Oil and Gas Sector 2021”. With particular reference to GRI indicator number 3, IP described the themes considered relevant following the new identification methodology provided by the standard.

The methodological process, aimed at analysing the context and impacts of the company, is divided into five main phases that can be briefly described as follows:



**1. Analysis** of relevant issues described in previous sustainability documents and press reviews on topics of interest to IP Stakeholders and relevant to the Group.



**2. Verifying and comparing** the material themes indicated as potentially relevant by the new GRI Oil & Gas sector standard, updated for 2021.



**3. Listening to and involvement** with the main Departments and Functions involved to select the relevant material themes in 2023.



**4. Sharing** of the final set of impacts and related material themes in the Sustainability Committee.

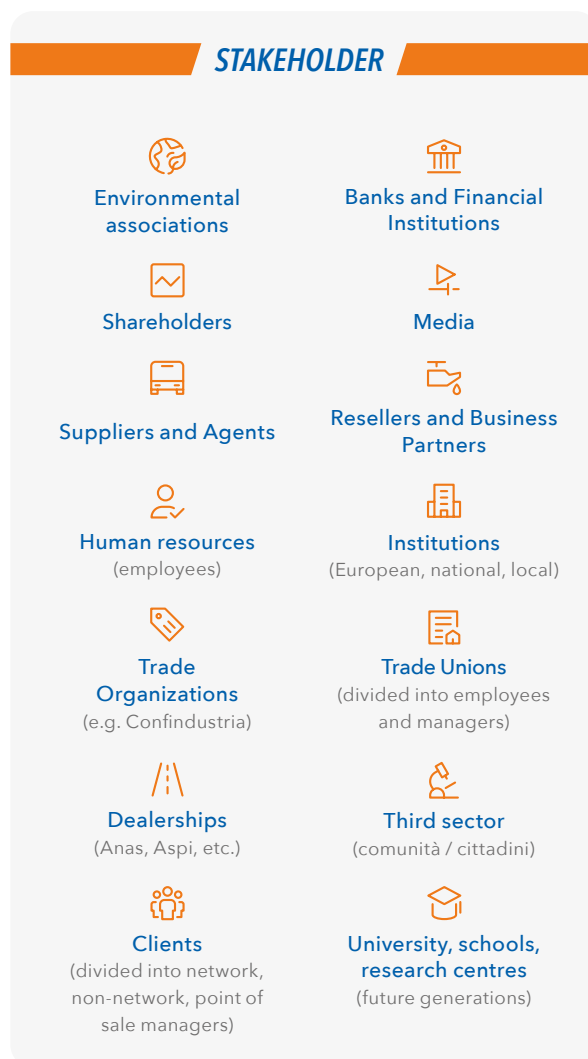


**5. Adoption** of the final list of impacts and related material themes described in this Report.

In the verification phase, the severity and probability for each impact were taken into consideration and, through discussion with the main Departments, it was possible to identify those relevant to IP.

The interviews with managers gave evidence of the main positive and negative, actual or probable, external and internal impacts of the Group that individual departments considered to be closely related to business activities and therefore affecting IP stakeholders.

The company is engaged in an ongoing participatory dialogue, both informal and structured, with interviews and questionnaires, with stakeholders. This allows the Group to identify priority issues on which to intervene and renew collaboration with the local area and reference communities.












This document provides the information needed to understand the impact of business activities on sustainability factors and how sustainability factors influence performance and results.



The Group has defined the context and indicators measured for each topic of interest in relation to its objectives and strategy. For actual negative impacts, significance is assessed according to the severity of the impact, while for potential negative impacts, the severity and probability of the impact are assessed.



To identify severity, the magnitude, extent and irreparable nature of the impact were taken into account. For each issue, the Company highlights actions to mitigate the identified impacts.




























The impacts relevant to IP, shared and approved by the Sustainability Committee, listed and described below, are subsequently developed in the appropriate paragraphs. A prioritization is assigned for each theme and its impacts.


Material theme	Relevance	Impacts	Actions	SDG
<b>Climate Change</b>	H	<b>Generation of greenhouse gases (GHG) and air emissions.</b>  In the activities related to refining and the use of finished products, the Group contributes to the generation of greenhouse gas emissions along its value chain (Scope 1, Scope 2 and Scope 3). In addition, combustion plants required for refining processes can emit air pollutants.	Through a short-, medium- and long-term strategy, the organization works to mitigate its carbon footprint by introducing, in the immediate term, fuels with a lower environmental impact such as the innovative fuel, OPTIMO, which can immediately reduce the CO2 emissions of the current car fleet compared to traditional fuels.  In the medium and long term, it invests in decarbonization solutions in industrial processes (also to intervene on its own direct emissions) and in distribution by implementing innovative products, capable of affecting indirect emissions.  In order to respond to developments in the sector and facilitate more sustainable mobility in the medium term, IP launched the Iplanet project to implement electric charging points in its service stations.	
<b>Resilience and transaction</b>	M	<b>Failure to adapt.</b>  The physiological timing of the transition of the entire energy sector to a low-carbon economy could lead to negative environmental impacts due to the failure to adapt to climate risks.	With the aim of having a certain direction on the real forms of energy to be introduced in its production and mobility sector, IP follows the evolution of technologies, through the Research and Industrial Development Function and the Sustainability Function, and consults with authoritative partners from the world of science, academia and research.  Thanks to an issue management process, the Group monitors and controls external issues that may impact the business in a timely manner.  The aim is to ensure the right priorities and resources to coordinate actions to be taken.	   
<b>Management of closed points of sale</b>	M	<b>Management of decommissioned facilities.</b>  The presence of a plant or Point of Sale network could lead to negative environmental impacts on the territory, e.g. contamination of soil and water resources. Reclamation, following closure or decommissioning, results in a restoration of the area.	IP is engaged in the re-moval of equipment from a roadside Point of Sale (due to the end of the physiological life cycle of an asset, or as a result of the need for a change in the roadway involving closure) and environmental remediation and restoration.	



 H: very important M: important L: not important



  positive / negative










  actual / potential


Tema materiale	Rilevanza	Impatti	Azioni	SDG
<b>Protection of ecosystems and biodiversity</b>	H	<b>Loss of biodiversity</b>  The Group's activities could alter the integrity of the natural ecosystems of the territories in which it operates and generate negative impacts on local flora and fauna.   	In order to mitigate pressure on ecosystems, the Company is committed to adopting the best available techniques and technologies and to reducing at the source, where possible, its environmental impacts from industrial assets.	 
<b>Waste management</b>	H	<b>Generation of hazardous waste not sent for recovery</b>  The Group's production activities, mainly at its industrial sites, generate waste, including "hazardous" waste.   	<p>The company works to minimise waste production and maximise its recovery rate.</p> <p>At the same time, IP is committed to limiting waste and encouraging proper separate collection, reducing the amount destined for disposal, thus helping to mitigate negative impacts.</p> <p>Also by selecting and monitoring its suppliers, the company spreads the culture of recovering and recycling its waste.</p>	    
<b>Protection of water resources</b>	H	<b>Use of water resources</b>  In carrying out its activities, particularly in refining processes, the company uses water resources, through withdrawals and discharges, influencing their availability.   	In order to prevent and mitigate impacts due to withdrawal and discharge, the company adopts useful techniques that allow for the proper treatment of process water and the recirculation of purified water in new production cycles.	   
<b>Protection of people at work</b>	H	<b>Impact on the health and safety of employees</b>  The operations, which characterise the Group's activities, may expose workers (including external workers) to the risk of accidents.   	In order to prevent and mitigate the occurrence of such events, the Company is continuously committed to activities that create a shared culture of safety and sustainability with all the people who work with IP and for IP: to this end, it provides training courses every year and provides adequate information on HSE (Health, Safety and Environment). The belief is that continuous training can raise quality standards and achieve ever higher levels of competence and safety. Finally, it adopts a Health, Safety and Environmental Management System, certified according to nationally and internationally recognized standards.	 
<b>Fair, high-quality and skill-rich work</b>	H	<b>Failure to value diversity</b>  The special nature of a highly operational sector such as the oil industry can lead to the composition of professional groups with a high prevalence of men, especially in the manual category, in sales, service and consultancy in the field.   	The Group's widespread presence in Italy often enables it to draw on professional expertise from the territories in which the company operates with its assets. In order to ensure equal access to employment opportunities for all, the Group works in line with the ethical principles of its Code and with a system of dedicated procedures. In fact, selections and recruitment take place according to criteria of merit, competence and professionalism, without any political, trade union, religious, language, nationality or gender discrimination. At the same time, it guarantees freedom of association to its own workers and those of its suppliers. In addition, it allows its workers access to welfare plans and provides, for all, dedicated skills development training with an annual schedule, through the synergy of the Human Resources Department and the Corporate Academy Function.	   



 H: very important M: important L: not important



  positive / negative

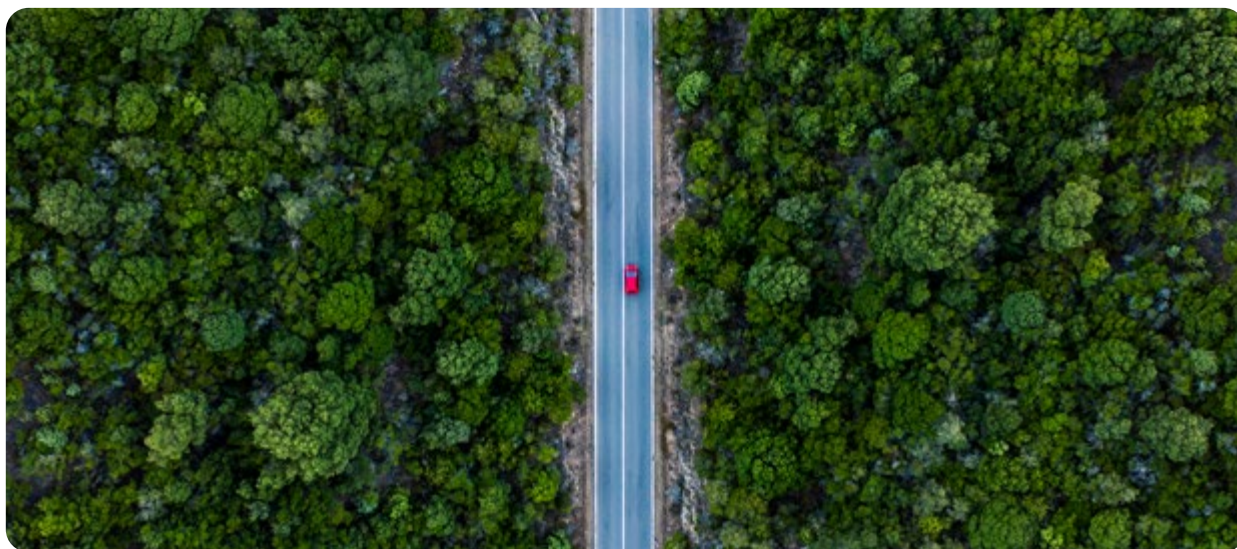
  actual / potential

Tema materiale	Rilevanza	Impatti	Azioni	SDG
<b>Creating value for regions and along the supply chain</b>	M	<b>Contribution to the development and welfare of local communities</b>  The Group is present throughout Italy and, thanks to its industrial and commercial sites, generates positive socio-economic and cultural impacts along the entire value chain and with regard to local communities.	The company is committed to supporting local communities in the territories in which it operates through direct aid and charitable, educational and sports initiatives. The organization's widespread presence throughout the country also allows the company to have supply relationships throughout Italy. Through the Purchasing Department, in collaboration with the Sustainability, Audit and HSE Function, IP works to strengthen the link between sustainable development initiatives and corporate business strategies by measuring the improvement of both internal and supplier performance, based on the implementation of sustainable development initiatives in the supply chain.	    
<b>Integrated governance, fair behavior, anti-corruption and privacy</b>	H	<b>Anti-competitive behaviour</b>  The adoption of anti-competitive behaviour could affect the free functioning of the oil market to the detriment of competition.	The Company operates in line with the principles of its Code of Ethics and acts on several fronts to guarantee fair competition among downstream operators: it constantly improves and monitors the "supply chain" of products on the market; OPTIMO, petrol and diesel, are equipped with an anti-fraud tracer to guarantee the chain of origin; it has an integrated Compliance, Antitrust and Privacy Function; it has adopted a system of procedures to guarantee that its activities are carried out in compliance with competition and market regulations. In particular, with reference to antitrust matters, the activity is carried out through the prior engagement of the function, which is called upon to carry out compliance by design of commercial operations. The function suggests the necessary measures, including organizational ones, to ensure full compliance with the regulations concerning the activity carried out by the company and its relations with its stakeholders. Finally, the adoption of a "multi-compliance" protocol implements both Legislative Decree 231/2001 and the guidelines on antitrust compliance, as well as the indications found in various provisions of the Privacy Guarantor.	 
<b>Integrated governance, fair behavior, anti-corruption and privacy</b>	H	<b>Risk of corrupting behavior</b>  The absence of a transparent system of procedures could lead to illicit behavior and distortion of the financial and investment market.	The company has adopted an Organization, Management and Control Model (MOGC), pursuant to Legislative Decree 231/2001, which regulates and defines the company structure and the management of its sensitive processes. It has also set up a Supervisory Board (SB) with the task of supervising the functioning and observance of the Model and reporting any need for adaptation. This is a system of procedures and rules aimed at reducing the risk of offences being committed. An integral part of the Group companies' MOGCs and company procedures is the Code of Ethics. All those who work in the Group, without distinction or exception, are committed to observing and enforcing these principles within the scope of their duties and responsibilities. All the Group's activities must be carried out with honesty, integrity, good faith, respecting the rights of third parties, employees, shareholders, commercial and financial partners and in general of anyone involved in the Company's activities. In ensuring full and continuous compliance of the Company's actions with current legislation, industry regulations and internal company rules, the Compliance Function has the key objective of preventing sanctions and becomes the driving force behind a safe and sustainable business. With the support of the Audit & Security Function, within which the Internal Audit, Security and Operational Inspections Units operate, the Organization continuously monitors corporate risk areas, working in parallel with the Corporate Academy Function for annual training on relevant topics.	 

 H: very important M: important L: not important

  positive / negative

  actual / potential



IP's material themes are connected not only to the Agenda 2030 sustainable development goals but also to the Organization's Values, which guide the Group's strategic decisions in pursuing socially, environmentally and economically sustainable growth over time.

This document is divided into 8 sections: two main chapters, the Group and Sustainability in IP, the GRI content index, the methodological note, the appendix with the comparison of the results over the last 3 years, the Independent Audit Certification, the Glossary and the contacts to receive clarifications on the Report. The first chapter includes the history of the Group, its Guiding Values, its presence in the country, the markets in which it operates and Governance. The second is dedicated to sustainability in the organization and a focus on environmental, social and economic aspects. Each area contains a description of the activities introduced by the Company to mitigate the identified impacts, together with objectives and indicators to assess them as well as the effectiveness of the actions implemented. The colours of the content index allow the reporting of IP's actions to be associated with the areas (General, Material and Sector Specific themes, Environment, Social and Governance) of the GRI (Global Reporting Initiative) standards.

Looking at the regulatory evolution regarding sustainability, in particular the European context, a 2023 rich in new developments can be seen. The entry into force of the Corporate Sustainability Reporting Directive (CSRD) EU 2022/2464 was followed by the publication and adoption, in July 2023, of the first set of independent, overarching European Sustainability Reporting Standards (ESRS) produced by the Euro-

pean Financial Reporting Advisory Group (EFRAG), a technical body dealing with accounting standards at international level. A second set of sector-specific ESRS principles is expected in spring 2024. The European Directive on Corporate Sustainability aims to standardize the way non-financial information on the sustainability aspects of certain organizations is reported and communicated. In fact, it will entail mandatory reporting for thousands of companies with different application phases starting from 1 January 2024, progressively also involving Small and Medium-sized Enterprises (SMEs), which can opt out until 2028. One of the main objectives of CSRD is to provide stakeholders with a comprehensive view of the organization's operations, not only in economic terms but also in relation to the impacts on the territory and the community.

On 1 June 2023, the European Parliament adopted the Corporate Sustainability Due Diligence Directive (CSDD), which obliges companies to analyse and mitigate supply chain impacts. It complements CSRD requirements and intends to promote environmental and social sustainability in all supply chains, stimulating responsible corporate behaviour.

It obliges companies to manage negative impacts throughout the value chain and to integrate the duty of care into company policies. For IP, the sustainability reporting obligation will come into effect in 2025 with publication of the sustainability document in 2026. In this context, the Group, inspired by a principle of transparency towards its stakeholders, will voluntarily align its reporting with the ESRS standards as early as 2024.



## 2.3 IP'S ACTIONS FOR THE TRANSITION

GRI: 2-1; 2-25; 2-29; 3-3

Making people move is IP's mission. Enabling mobility is in the DNA of the Group, which since 1933 has been committed to energising Italy on the move.

The word movement holds within it the precious meaning of freedom and emancipation, but nowadays we need to move in an increasingly sustainable manner, using the best available technologies and making them accessible to all. A sustainable community is not one that moves less, but one that moves better.

The Group has grown over the years by strengthening its industrial and distribution logistics network; by offering increasingly innovative mobility-related products and services; and by embarking on a path of voluntary change inspired by its Values and oriented towards the Sustainable Development Goals of the Agenda 2030 (SDGs).

Nowadays, IP plays a crucial role in the country's energy security thanks to its industrial and logistical sites, as last year's energy crisis demonstrated. Similarly, it is at the heart of the energy transition and is working passionately to seize the opportunities. In line with its Mission, its Values and consistently with the European objectives of decarbonization and reduction of CO<sub>2</sub> and climate-changing emissions (also in the transport sector), the Group acts to facilitate the energy transition and, in particular, for increasingly sustainable mobility.

In fact, IP is committed to the development of alternative energy solutions including a portfolio of investments in logistics, production and supply of low-emission products. With this aim, it intends to support the development of technologies to promote increasingly decarbonized mobility.

In order to pursue a fair transition that ensures equal access to the most sustainable solutions for all, the Group operates on three time frames (in the immediate, short to medium and long term) and in three main contexts (at industrial sites, in the distribution infrastructure and in the creation of new skills).

IP is well aware that in order to be sustainable, it is necessary to invest in research and development, to cre-

ate ties with the territory in which the company operates, and to keep abreast of technological and scientific trajectories in order to enable the industrialization of the most efficient solutions.

The company considers it essential to create a positive relationship with local communities and to invest in the territory by collaborating and building projects that are useful to the community. For the entire IP ecosystem, sustainability has a threefold significance:

- **industrial:** by preserving an industrial and safe supply chain in Italy and encouraging the use of the best techniques and new technologies;
- **environmental:** by accelerating the replacement of traditional fuels with higher quality ones and enabling the spread of alternative fuels, such as bio-fuels and e-fuels;
- **economic:** by making superior quality mobility products available to all.

Every technology has a role to play in the transition: liquid fuels, which will still power most of the vehicle fleet for many years to come and which must be made cleaner and safer; electric recharging, which must be made fast and widespread to enable its use outside urban centres; methane, hydrogen, through to new-generation biofuels and synthetic fuels.

Industry can lead the transition and stimulate the pursuit of change by adopting a holistic approach. With this objective, IP intends to play a leading role in the energy transition and in particular in the transition towards more sustainable mobility.



IP has defined the estimate of indirect greenhouse gas emissions resulting from the Group's activities (Scope 3 GRI 305 Standards) with the methodological support of the Institute of Science and Technology for Energy and Sustainable Mobility of the National Research Council (CNR-STEMS). Referring to the guidelines of the Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard, indirect sources of greenhouse gas emissions related to activities were identified. In this context, the qualitative assessment of the influence of OPTIMO fuel on the GHG (GreenHouse Gas) emissions of the Italian vehicle fleet

is also included, highlighting the lower emission impacts of category 11 of Scope 3).

Therefore, indirect GHG emissions (related to Scope 3) come from sources that are not owned or controlled by the organization. They include both upstream and downstream emissions from an activity. In general, upstream activities are the activities and services purchased and performed by an organization before the achievement of the product to be sold. Downstream activities, on the other hand, concern the products and services sold by the organization.

Fifteen categories have been identified, divided into upstream and downstream activities:

#### UPSTREAM ACTIVITIES



Goods and services acquired



Capital goods



Fuel and energy related activities

not included in Scope 1 and Scope 2



Upstream transport and distribution



Waste generated by activities



Business trips



Home-work commute of employees



Upstream leased assets

#### DOWNSTREAM ACTIVITIES



Downstream transport and distribution



Processing of products sold



Use of products sold



End-of-cycle processing of products sold



Downstream leased assets



Franchising



Investments

Over the past year, the company has continued to take concrete, pragmatic and decisive steps in the direction of the energy transition path that has been underway for some time.

With respect to its product portfolio, which ranges from fuels to specialties, the company operates along three-time frames: immediate, short-medium and long-term.

### 2.3.1 IN THE PRODUCTION SITES



#### OBJECTIVES

- Ensuring the security of energy supplies to the Italian System through a refining industry equipped with the best technologies from the point of view of environmental impact.
- Evolving refineries from a conventional refining hub to an energy hub equipped with new energy carriers (e.g. hydrogen).
- Introducing an increasing share of non-fossil fuel production in all plants.
- Widespread use of hydrogen to decarbonise production cycles.

Within the perimeter of its production sites, IP continuously intervenes in a process of improving its impact on environmental matrices through the adoption of the best available techniques to reduce the environmental impact of its activities and, in a

short-term perspective, has already implemented industrial energy transition initiatives. At the same time, IP is projected into the medium-long term period to the production of both bioderivative and synthetic fuels in terms of decarbonization.

#### CO-PROCESSING

IP has introduced sustainable raw materials of organic origin into its production chain, using co-processing in its processing cycles. The Falconara M.ma and San Martino di Trecate sites are currently able to process approx. 20 kt/year and 55 kt/year of bio-derived loads respectively, as required by the European directive on renewable energy (UE)

2018/2001 (c.d. "RED"). The biofuels produced, already blended in the plants with conventional fossil-based products, meet the criteria of sustainability and reduction of greenhouse gas emissions set by European standards on the promotion of the use of energy from renewable sources.

#### HYDROGEN

The European Net-Zero Industry Act identifies hydrogen as one of the key technologies indispensable for decarbonizing European industry and achieving the EU's climate goals for 2030 and climate neutrality for 2050. Increasing its production implies reducing the use of fossil fuels in industrial processes and responds to the needs of sectors that are difficult to electrify.

With this in mind, the Group has been working at various levels on the development of industrial projects based on the production of hydrogen from the electrolysis of water powered by electricity from renewable sources.

In synergy with this initiative, a further project, also supported by the PNRR and currently underway, has been launched for the conversion of two service stations in the municipalities of Casale Monferrato (AL) and Cassano d'Adda (MI) for the full-scale distribution of over 250 tons/year of green hydrogen for light and heavy transport.

Similar initiatives, which were found to be eligible and are currently awaiting financing from PNRR funds, have also been developed at the Falconara M.ma Refinery and at the Rome logistics site, where Hydrogen Valleys have been conceived for the partial decarbonization of the processing cycle and the development of a sustainable mobility ecosystem.

A further project developed by the Group, again using PNRR funds and currently being examined by the relevant authorities and administrations, is focused on the production of green hydrogen, again at the Falconara M.ma site, starting from the renewable electricity produced by revamping a wind farm. Also

in this case, the objective is the decarbonization of the refinery's processing cycle, but from a "Hard-To-Abate" perspective, and therefore with an even higher production of green hydrogen of about 9,000 tons per year.





### 2.3.2 IN THE DISTRIBUTION INFRASTRUCTURE



#### OBJECTIVES

- Offering Italians the best possible fuels for their cars, both in terms of performance and emissions.
- Ensuring widespread supply of energy for mobility.
- Placing the grid at the centre of the transition, as a multi-energy platform capable of accommodating all forms of sustainable energy for mobility.
- Using the grid as an asset for the deployment of hydrogen, biomethane and electricity.

#### OPTIMO

The process of innovating its distribution infrastructure, particularly its network with the evolution of the service station into a multi-energy hub, started immediately with the introduction of OPTIMO, a premium product sold at the same price as a traditional fuel.

In line with the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, IP started a revolution by introducing OPTIMO on its distribution network.

OPTIMO petrol and diesel are IP's innovative premium products, capable of reducing CO<sub>2</sub> emissions and fuel consumption. They improve engine performance and are sold at **no additional cost** compared to traditional fuels to give everyone access to a product with a lower environmental impact.

With the launch of its Premium product, IP, which has an extensive and widespread integrated logistics system, launched an ambitious and innovative project for the sector. In fact, thanks to OPTIMO, IP is working

in the immediate future to make the approximately 40 million internal combustion vehicles in circulation in Italy more sustainable, while at the same time building an alternative energy supply for more sustainable mobility.

A paradigm shift that allows millions of motorists who refuel at the Group's service stations to reduce fuel consumption, CO<sub>2</sub> emissions and maintenance costs (given the same driving style and other vehicle conditions) by contributing to a lower environmental impact with their cars. In addition, OPTIMO fuels contain a special molecule that allows them to be identified and tracked for legality.

OPTIMO petrol and diesel are innovative products, which IP makes available at no extra cost compared to traditional fuels, thereby not burdening the end consumer with the additional costs involved in the transition to more sustainable mobility.

#### BIOFUELS, HVO

In addition to the continuous improvement of its range of performance products with a lower environmental impact, such as OPTIMO, methane and LNG (for heavy transport, which is difficult to electrify), IP is working in the medium term on the implementation of

Biofuels, mixed or pure, that can replace conventional hydrocarbons. It has already released advanced biofuels such as HVO (Hydrogenated Vegetable Oil), produced from 100% renewable raw materials.

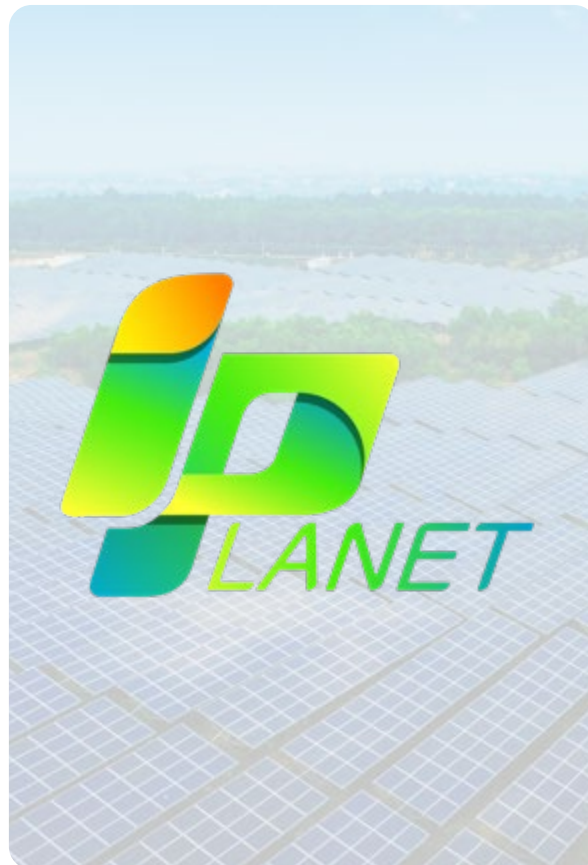
## ELECTRIC AND IPLANET

The EU intends to facilitate the spread of electric cars to create the largest fleet of zero-emission cars. IP is working to create the infrastructure that citizens will need to charge electric vehicles, facilitating deployment on not only urban but especially non-urban routes and enabling long-distance travel. The action plan for the development of electric charging points at service stations provides for priority intervention in service stations located on non-urban road corridors, which can concretely facilitate medium and long-distance travel with electric vehicles. The use of these vehicles is in fact still very limited to urban travel.

To give substance to the project of development and innovation on the distribution network in order to satisfy customer needs and look towards the reduction of indirect emissions, IP launched the IPlanet project, through an agreement with Macquarie, a leading investor and consultant in the infrastructure and renewable energy sectors, which envisages the creation of a 50:50 Joint Venture for the electrification of 507 service areas on urban and suburban roads.

The IP service stations have the structural characteristics to apply design standards of modularity and flexibility in line with the evolution of the market. Hyperfast columns of up to 300 Kwh are to be installed in each format, allowing energy to be filled up in a short time, bringing the customer experience with an electric car closer to that of a traditional vehicle owner. Photovoltaic modules,

integrated with innovative storage and energy management systems, will allow the recharging stations to use renewable energy fed into the grid: in this way, electric mobility will be truly sustainable.



## HYDROGEN

Hydrogen also has significant potential for decarbonizing transport, mainly heavy transport, which is difficult to electrify. In this area, IP will convert two petrol stations, in the municipalities of Casale

Monferrato (AL) and Cassano d'Adda (MI), having been assigned the "Experimentation of hydrogen for road transport" PNRR Call for Proposals.

## SAF AND MARINE TRANSPORT

The decarbonization of road transport will be joined in the future, through further initiatives, by the complementary sectors of maritime and air transport, which represent an equally important area of energy transition. In fact, IP is studying the creation of new production capacity to meet the need to reduce the carbon footprint of thus energy carriers for the marine and aviation sectors as well, through the use of SAF

(Sustainable Aviation Fuel) and SMF (Sustainable Marine Fuel). The development of these sustainable fuels is also supported by regulatory and legislative schemes, introduced at international and national level, aimed at progressively replacing conventional fossil fuels.

### 2.3.3 NEW KNOWLEDGE FOR DEALING WITH CHANGE



#### OBJECTIVES

- Strengthening and renewing skills in the transition field.
- Monitor technological developments to seize transition opportunities.
- Supporting the national training and research system.

The profound transformation that IP aims to implement in the energy field, playing a central role as an enabler and transformer of mobility from conventional to sustainable, is supported by constant training geared towards the development

of its People's skills and by constant comparison with the scientific world with a view to combining industrial choices, research and technological innovation.

#### ACADEMY AND TRAINING

IP's Corporate Academy is the Group's main competence-building and dissemination tool, implemented through a multi-year strategic plan, which identifies four guidelines:

1. **Top Down** to share priorities and strategies;
2. **Bottom Up** to meet the training needs of the operational line;
3. **Grassroot** to focus on the personal growth of employees;
4. **Community** to serve the country.

In addition to these main training areas, there is a fifth one that responds to COMPLIANCE needs and

contains the scheduling of compulsory training on, for example, Health, Safety, Environment (Seveso Law 105/2015), compulsory updates on privacy and Law 231 or updates to Legislative Decree 81.

The activities falling under the first pillar (Top Down) include partnerships with excellent training schools to work on specific needs: ad hoc programmes to disseminate new management models, training on sustainability, energy transition and innovation, and a bootcamp for new recruits. This area also includes lectures with authoritative figures and experts on specific contextual issues relevant to the Group.



## PARTNERSHIP

Through partnerships with the worlds of science, research and academia, IP intends to provide itself with additional tools for scientific comparisons, to ensure a solid basis for its strategic transition planning on the choice of future technological solutions.

### 1. TURIN

**Themes:** New energies for mobility

**Partner:** Politecnico, IIT, Envipark

In Turin, in synergy with the three institutions (ENVIPARK, POLITO and IIT), IP initiated a cooperation agreement on the topics of: Biofuels, Aviation and Maritime Fuels, Hydrogen and CO<sub>2</sub> (reduction, storage and usage). The infrastructures and knowledge of the stakeholders will operate in an integrated manner: the research expertise of POLITO and IIT will be complemented by the innovation support function provided by Envipark. IP will be able to industrialize the transition by seizing its opportunities, identifying technologies capable of intervening in the sustainability of existing mobility stocks (as it is already doing now with OPTIMO) and working towards the development of emerging trends.

### 2. ANCONA

**Themes:** Sustainability, customer

**Partner:** UNIVPM

In Ancona, IP started a collaborative relationship with the Università Politecnica delle Marche (Polytechnic University of Marche, or UNIVPM), outlining four areas of partnership.



### 3. NAPLES

**Themes:** Engines and emissions

**Partner:** CNR (STEMS Istituto Motori)

In Naples, IP collaborates with the CNR on research and technological innovation activities regarding three topics: sustainable mobility, air quality and fuel quality. As addressed in the mobility chapter, the collaboration started in February 2020 and the first result concerns the tests conducted by STEMS - CNR on OPTIMO's performance.

## RESEARCH DOCTORATES

Within the framework of the scientific and technological partnerships already in place, IP is working on the development of initiatives and projects of prospective industrial value focused on research and technological innovation, including through the funding of industrial research doctorates.

The initiatives carried out in the economic, social and environmental fields are described in this voluntary Group Sustainability Report.





## 2.4 CREATING ECONOMIC, SOCIAL AND ENVIRONMENTAL VALUE

GRI: 2-6; 2-25; 2-29; 201-1; 201-4; 207-1; 203-1

For IP, the real challenge of sustainability is creating shared value for itself and all stakeholders. This is how the value dimension takes on not only economic but also social and environmental connotations.

### 2.4.1 KEY ECONOMIC INDICATORS

On 27 March 2024, the Board of Directors approved the Draft Consolidated Financial Statements of IP and this Report.

The 2023 net turnover is EUR 9,605 million, adj. EBITDA of EUR 500 million, net profit of EUR 423 million and net financial position of EUR 82.9 million. The largely positive results should be read in the context of the Italian and international energy context, which affected energy prices and margins in 2023.

As of 30 June 2023, the repayment plan was started, with 20 constant quarterly instalments, for the medium-term loan of EUR 360 million, signed in June 2022, with a term of six years and 70% guaranteed by SACE, thanks to the provisions of the "Decree-Law on Supports bis" and the SACE regulation. The loan was organized and undersigned by a pool of leading financial institutions, consisting of Banco BPM, Intesa Sanpaolo Divisione IMI Corporate & Investment Banking and UniCredit as Mandated Lead Arrangers and Lenders, and BPER Banca (through the C.&I.B. division), Banca Popolare di Sondrio, Banco di Sardegna and MPS Capital Services as Lenders. Unicredit and Intesa acted as Global Coordinator of the transaction, and Unicredit also acted as Agent. The financing also included the provision of a revolving credit facility (RCF) in the amount of EUR 100 million, which was never used in 2023. The loan agreement provides for financial covenants, all of which were met as of 31 December 2023. Respecting the provisions of the loan agreement pools, where the possibility of recourse is regulated to additional "Unsecured" debt lines, during 2023 these lines were most of them confirmed or increased.

### 2.4.2 THE ECONOMIC VALUE GENERATED AND DISTRIBUTED

The gross economic value distributed in 2023, deductible from the approved financial statements prepared in accordance with IAS and IFRS, thus excluding VAT and excise duties, is EUR 9,957 million.

2023	milioni di €
Economic Value Generated (A)	9,957
Economic Value Distributed (B)	9,400
- of which raw materials and products	8,523
- of which operating, financial and other costs	877
<b>Economic Value Retained (A-B)</b>	<b>557</b>

For a more complete view and understanding of how the oil products marketed are sold, the significant tax component, collected and subsequently paid on behalf of the State, i.e. excise duties and national consumption taxes, must be added to the economic value generated.

For 2023, these components amount to EUR 5.526 million between excise duties and consumption taxes.

Thus, in total, including excise duties, the Distributed Value amounts to EUR 14.927 million (excl. VAT).

2023	milioni di €
Raw materials and products	8,523
Operating, financial and other costs	877
Excise and consumption taxes	5,527
<b>Total value distributed</b>	<b>14,927</b>

Below is the distribution of the distributed value for each stakeholder group:

2023	%
Operating costs	61.3
Payments to public administration	37.2
Salaries and employee benefits	0.8
Payments to capital suppliers	0.7

In 2023, the total contribution to partnerships, including sports and research associations, was equal to EUR 2.04 million. The contribution to support the territory, to charitable organizations, also operating in the Falconara area, is over EUR 126 thousand.

A typical feature of the sector, which is worth mentioning, concerns the application of VAT on the entire sales price, including excise duties: the total value of the VAT balance for 2023 amounts to approximately €1,054 million.

In accordance with the values of ethics and transparency outlined in the Code of Ethics, the IP Group's tax action is conducted in full compliance with the regulations Tax. Such behaviour is in line with the commitment of provide an economic contribution in the territories in which we carry out our business.

### 2.4.3 THE PRICE AT THE PUMP

In the course of 2023, the cost of a barrel of crude oil imported into Italy decreased by about USD 19 per barrel in international benchmark crude oil prices (Brent dated) compared to the previous year, averaging over USD 82 per barrel.

Industrial network fuel prices were affected by the difficult political-economic scenario, performing in line with the international prices of refined products (Platt's) in the Eurozone.

In this international context, the so-called weighted "Italian detachment" (petrol and diesel), i.e. the delta between average Italian prices compared to the average of the Euro area countries net of all taxes, stood at about 44 cents per litre in 2023.

The consumer price (at the petrol station) per thousand litres of fuel, which includes taxes, was also affected in 2023 by the high tax burden from which the difference in Italian prices compared to the Eurozone average derives: for diesel, taxes were 51%, and for petrol, they were 52%.

2023	Petrol		Diesel	
Price at the pump	1,865.19	100%	1,791.8	100%
- of which excise duty	728.4	39%	617.4	34%
- of which VAT	336.4	18%	323.1	18%
- of which industrial cost	800.4	43%	851.3	48%

Source: Ministero dell'ambiente e della sicurezza energetica - Statistiche energetiche e minerarie



1. RIP SRL Staffetta Quotidiana article entitled "Stacchi Italia" (the price differential between Italy and other EU countries) of 25 December 2023.

#### 2.4.4 THE VALUE OF THE SUPPLY CHAIN

GRI: 2-1; 2-6; 2-25; 2-29; 204-1; 308-1; 407-1; 409-1; 414-1; 414-2

Suppliers are essential partners on the path to sustainable growth. Proper and constructive collaboration produces benefits in production, economic, social and environmental terms.

IP is committed to creating virtuous and innovative processes that involve the supplier to mitigate generated or potential impacts. It adopts a systemic approach in which social, environmental and economic aspects are jointly considered in order to establish a partnership. The Group's goods and services purchasing activities are centralized in the parent company IP and entrusted to the Purchasing Department, while the procurement of crude oil and oil products is entrusted to the Planning, Logistics and Specialties Department; the definition of commercial agreements relating to agents and Network Contractors to the Sales Department; and specific intellectual work services linked to the principle of *intuitu personae* to the Requesting De-

partment. With regards to the supply of oil products, only suppliers of proven reliability and international trustworthiness have always been selected, reinforced by the requirement for certificates of origin proving the quality of the supply chain in compliance with the Group's Code of Ethics and procurement procedures. The qualification of oil suppliers takes place through a strict qualification process that allows the acquisition of information on the protection of social and environmental aspects both through a questionnaire and the acquisition of documentation. In particular, each supplier must provide evidence of the possession of policies for the respect of human rights and the prohibition of new forms of modern slavery.

The IP purchasing process, which is managed by the Group's purchasing department, takes into account the overall cost of goods and services, quality and safety requirements and compliance with environmental and social aspects. It is carried out with the involvement of suppliers who follow a qualification process, structured with specific questions aimed at ascertaining compliance with the core principles of loyal collaboration.

##### The process of purchasing goods and services tends to:

- **identify the best technical and commercial solutions:** the objective is to ensure maximum satisfaction of internal customer requirements while adopting solutions with the least impact on economic, environmental and safety aspects;
- **select suppliers with an objective assessment:** through an ongoing process and the use of IT tools, ethical, economic and financial reliability, technical and management skills in terms of safety and respect for the environment, as well as the ethical-social profile and attention to sustainability issues are verified. For certain product categories, defined as critical, technical-organizational audits are also carried out at the suppliers' premises. Particular attention is paid to anti-corruption efforts and policies to combat undeclared work.
- **giving priority to local suppliers:** the aim is to boost the national economy;
- **guarantee the application of the company's Code of Ethics:** with the intention of creating a relationship of lasting trust and satisfaction, in which purchasing choices follow clear and defined procedures in compliance with transparency and equal treatment between competitors;
- **check compliance and congruence between purchased goods and services and expected performance:** purchases are made on the basis of compliance with the required technical characteristics and actual needs, in the search for continuous efficiency and reduction of waste.

IT tools ensure, in the tender phase in particular, the comparison of technical and economic offers, in order to guarantee the transparency and traceability of the entire process.

In 2019, the api Group started to rationalize its suppliers, which were originally on the vendor list, with a steady trend over the last few years until reaching around 1,200 suppliers in 2023.

Each potential supplier, taking into account the business in which it operates, undertakes a qualification process for one or more product groups and can select the geographical areas in which to supply products and services. The supplier is only recognized as eligible if it meets all the specific requirements for each selected product group. The product groups are identified according to three different criticality classes and three types of qualification questionnaires.

Candidates respond to information and provide documentation on their financial strength, company organization, quality systems adopted, education and training, safety and accident prevention, and management of ESG (Environmental, Social and Governance) aspects.

The qualification of suppliers is valid for a maximum of five years depending on the criticality class associated with the product categories. Their level of performance is monitored annually, through the Vendor rating, which is the document assessing the services rendered by the supplier for the Group and is the tool used to verify compliance with objectives and maintenance of qualification criteria. In 2023, the percentage of suppliers assessed according to environmental and social criteria was 58.4% (684 suppliers out of 1,172).

IP, which voluntarily embarked on the path of sustainable development, is committed daily to promoting the improvement of the environmental and social performance of the supply chain, also through a listening activity, which takes place by encouraging the adoption of sustainable solutions for products and services, the use of recycled or recovered materials, and the optimal management of waste generated.

In addition to the information required for qualification,

suppliers receive a specific listening and monitoring questionnaire on ESG aspects consisting of three macro-sections:

- general sphere and governance;
- social sphere;
- ambito ambientale.

In 2023, new listening questionnaires on the management and good practice of ESG aspects were sent to suppliers with activities related to waste management, transport and disposal. This listening conducted during the reporting period showed that 100% of the category surveyed have no suppliers and business activities for which the right to free association and collective bargaining is put at risk. Moreover, the suppliers surveyed all confirm that they have an ethical code of conduct and policies for managing diversity, inclusion and equal opportunities. IP requires the supplier, who is entrusted with the handling, transport and disposal of waste, to provide a traceability certificate for the final recovery or disposal of the waste under the contract, with the intention of contributing to the circular economy.

In 2024, the questionnaire on sustainability issues will be sent to suppliers within the scope of transport fuels and industrial reclamation.

### IP'S SUPPLY CHAIN





### 2.4.5 NON-OIL PARTNERS

With about 2,000 non-oil activities across its distributors, IP is able to enrich its offer to customers, combining new forms of energy and new mobility services with excellent partners. Partnership is the integrated management of a process in which two different parties provide each other with knowledge and working methods to achieve a return in terms of value creation.

IP looks at its distributors as a multi-service hub and intends to develop the partnership not only as a long-term business collaboration but intends to build a relationship based on listening, attention and satisfaction of mutual needs.

In addition to existing partnerships with leading national and international companies, IP has expanded the number of its partners and signed agreements in the following main areas: Food, Car Care and New Business Development.



#### FOOD AREA

In addition to the partnerships with Burger King, Panini Durini and Caffè Vergnano, there were collaborations with La Piadineria, which saw the opening of two stores in Turin and Milan, and with Poldo, a new type of fast deli. The latter is a modern reinterpretation of the historical Italian chicken rotisserie: a simple, immediate and genuine project that appeals to a wide range of people.

#### AREA CAR CARE

Two new car wash openings (one in Genoa and one in Rome) in 2023 are the result of the framework agreement signed with Acquarama last year.

#### NEW BUSINESS DEVELOPMENT

With Move Up, a start-up in the rental sector, IP opened the first stations with van and car rental services, in Brescia and Rome.

With Inpost, an international logistics operator specializing in Out-of-Home deliveries, collaboration continues to achieve the installation of 500 lockers at IP service stations.

#### CALL FOR TENDERS FOR A NEW QSR FORMAT

In December 2023, IP launched a call for tenders to find a partner with whom to implement an innovative QSR (Quick Service Restaurant) format in 40 IPLANET-branded service stations to be opened between 2024 and 2027 in Lombardy, Piedmont and Emilia-Romagna. The value of the tender emphasizes aspects not only of business but of major investment and return in terms of job creation.

When awarding the tender, great attention will be paid to the sustainable development policies that the partner intends to implement. In fact, in addition to the description of the technical offer, the potential partner will have to make explicit its value and supply chain, highlighting the methods of procurement and selection of its suppliers (local supply chain) and the management policies, including contractual ones, on the treatment of workers that it intends to implement.

### 2.4.6 RELATIONSHIP WITH LOCAL COMMUNITIES

GRI: 3.3; 413.1; 413.2

IP considers it essential to create a positive relationship with the local communities in the areas where it operates. In fact, it believes that investing in the territory cannot be separated from collaborating and sharing value with the community. The convergence between the interest of the individual and the sustainability of the business is rooted in transparency, fair information and constant constructive confrontation.

With reference to api Raffineria di Ancona, which extends over 70 hectares in the Falconara Marittima area, the company works to foster a positive coexistence between the site and the local community, developing multiple initiatives dedicated to its stakeholders and in particular to young people, to increase knowledge and skills, and to induced companies to increase participation.

The Falconara area has always been sensitive to socio-environmental issues due to the historical presence of several industrial sites near the urban area, including the refinery as well as other relevant infrastructures such as the railway, the motorway and the Raffaello Sanzio Airport. In this context, the company's cooperation with the authorities involved in land management and control continued in 2023.

For years, the Refinery has had a Policy for the health, safety, environment and prevention of Accidents. In fact, the safety and health of people (employees, communities and partners) and the protection of environmental issues are a priority objective for the Company and in the performance of its activities are managed in an integrated manner, applying the principles of prevention, protection and improvement continuous.

Part of the Integrated Management System is a specific procedure for the processing of reports: all the steps are structured to ensure, both day and night, the reception (by telephone or by other means), the management by the competent roles and the consequent response. Following the of a report are, therefore, made to it specific checks on the presence of internal situations that can be linked to what has been reported, implementing, in the event of affirmative, the most useful actions for resolution. For reports concerning odours, the "Operational management" procedure is activated, in particular "reports of unpleasant odours", which provides for Department-by-department inspections, under the coordination of factory technicians. In 2023, a total of 19 calls related to phenomena odour, acoustic or visual: a single report is found to be relevant, i.e. associated

with a disservice of the plant, already taken over by the competent department with the actions of immediate restoration of the correct conditions.

The Refinery engages with transparency and continuity with stakeholders, communicating the objectives and results achieved on health, safety and environmental issues and committing to a cooperation aimed at sustainable development. In October 2023, on the occasion of the ninetieth anniversary of bees, the Refinery made available to its stakeholders, in particular of the authorities, the Site Report, a document from which one's performance emerges environmental and social issues.

The External Emergency Plan governs the management of all unforeseen events, including those of an informational nature, having an impact outside the Refinery. This plan, defined in cooperation with all local authorities, was the subject of a listening and information campaign among the local population. In addition, any event, even if not accidental, that may be visible to the outside world is communicated to the Municipality of Falconara, which in turn informs the public (e.g. fire drill or maintenance notices).



## 90 YEARS ON THE SAME ROAD: 1933-2023

90 years on the same road as Italy. In 2023, the api Group celebrated this important anniversary with an immersive exhibition, also open to the public, in Rome and by organizing a Family Day and exhibition in Falconara Marittima. The "Insieme sulla stessa strada" (Together on the same road) events allowed people to relive a journey through the history, values and mission that distinguish the Group, and even before that a family, protagonist of major changes and energy challenges through almost a century of Italian history and the iconic moments that characterized it.

### MORE THAN

# 3,100

### PARTICIPANTS INVOLVED

Shareholders, Authorities,  
Employees and Relatives,  
Partners, Media, Citizens, Trade  
Union Representatives, Schools,  
Associations



### ROMA

#### IMMERSIVE EXHIBITION "INSIEME SULLA STESSA STRADA"

In Rome the immersive exhibition was divided into 5 sections and 4 rooms:

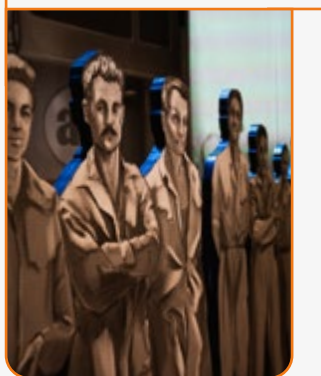
### FALCONARA

FAMILY DAY  
"INSIEME SULLA STESSA STRADA"



#### Sala 1: The essence.

The exhibition opens with the Group's symbols: the black horse, a famous and recognizable trademark that is part of the country's iconography, and two ampoules, containing an essence, that metaphorically refer to the preciousness of the oil refined by the Group. A product, unique and versatile, that allowed for the birth of the industrial society and the development of people's mobility.



#### Sala 2: The origins.

With historical videos, produced with material from the Teche RAI and the Istituto Luce, the first decades, the "family history", the Italian and private character of the Group and the origins of oil are retraced.



#### Sala 3: The api Group grows with Italy.

The third room, with more vivid and engaging colours, tells the story of the Group's growth: from the bond with the spirit of racing to major acquisitions.



#### Sala 4: The Future.

The interactive installation in the centre of the room depicts a service station with the stylistic features of a 1930s petrol station and transports you to a future where anyone can make their own choice of energy for mobility.

## INITIATIVES IN THE TERRITORY

## Solidarity knows no bounds

Raising awareness among children and families about the extraordinary, daily work of the I.O.M. (Istituto Oncologico Marchigiano, or Marchigiano Oncological Institute) in supporting cancer patients and their families. Thanks to the **"Atleti al tuo fianco"** (Athletes at your side) project, an attempt has been made to trigger proactive dynamics and encourage the birth of projects thanks to which local sports clubs can concretely support IOM's mission and foster precise skills on the needs of the sick among athletes as well.

For the fourth consecutive year, api Raffineria di Ancona, together with the Fondazione Ospedali Riuniti (United Hospitals Foundation) and the Ancona Oncology Clinic, supported the activities of the Falconara Marittima Lega Navale by joining the **"A Dragon for Life"** project. This initiative is aimed at women who have undergone breast surgery and intends to encourage participation in physical recovery activities to overcome the confines of the disease and the social distancing that can increase the sense of loneliness. The **5th NATIONAL L.I.L.T. DRAGON BOAT TROPHY** took place in Falconara Marittima. 400 Dragon boats from all over Italy participated. In conjunction with the sporting event, a "Due Giorni di Prevenzione Senologica" (Two Days of Senological Prevention) was also organized thanks to the collaboration of the L.I.L.T. and the Senological Surgery Clinic of the Ancona Regional Hospital.

In 2023, the historic collaboration with the Associazione Patronesse per l'**Assistenza del Bambino Specializzato** continued, supporting fundraising for the purchase of a laser confocal microscope with robotic scanning, which will be donated to the Salesi Children's Hospital in Ancona. This state-of-the-art instrumentation will provide digital images of a suspected neoplastic lesion, without altering the excised tissue, allowing an anatomical-pathological diagnosis to be made very quickly, with exceptional benefits for the success of the operation.

## Beats of Music...a show that is good for the heart

Together with Ancona-Conero Rotary and the **Associazione Sulvic**, the refinery supported the scientific-neurological-musical experiment at the Teatro delle Muse in Ancona for charitable purposes. The event was intended to test the effects of music on cardiac activity in real time. Wearable devices that recorded heart activity parameters as individual emotions changed were provided to 100 spectators in the theatre.

## For a culture of sustainability

api Raffineria supported the **Associazione Confortigianato** in organizing a series of initiatives in the week from 19 March to 25 March dedicated to the theme of sustainability. The programme included communication initiatives, actions to raise awareness on the issue, and two conferences organized in cooperation with the Rector of UNIVPM (Polytechnic University of Marche) in which case histories of companies committed to this front were illustrated.

With the collaboration of the Associazione Fare Ambiente and researchers from the "G.Fua" Faculty of Economics and Business of the Polytechnic University of Marche, the Falconara industrial site contributed to the development of a public workshop in the Faculty's Council Chamber on the subject of **"Transition and energy security: the role of fossil fuels and nuclear power in the changed geopolitical context"**.

Always with an approach of paying attention to the territory and its needs, api raffineria participated in the **5th Festival della Storia** (Festival of History) 2023, held annually at the Mole Vanvitelliana, on the main topics of political, social and cultural current affairs that have a significant impact on the lives of people and institutions. A focus on the great revolution and transformation that the energy transition has and can have on the economic scenario, habits and quality of life.

 Falconara Marittima Refinery

 SARPOM Trecate Refinery



## From saying to doing

In December 2023, the operational seminar of the first Advanced Course in **"Operational Aspects of Site Waste Management and Industrial Remediation"** ended at the refinery. It was promoted by the Disva (Department of Life Sciences) of the Polytechnic University of Marche in collaboration with Leonardo Ambiente, a leading company in the environmental and waste sector in the Marche region. In particular, Environmental Risk and Civil Protection (DISVA-UNIVPM) students were able to learn more about the operation and management of an oil refining plant, first in the classroom with lecturers and api raffineria management, and then in the field with a dedicated tour of the plants.

## For young people and social issues

On the subject of proximity to the communities and the needs of the territory and young people, api Raffineria renewed its support for the **"apisport per i ragazzi"** (apisport for kids) project in 2023, supporting various local sports associations that aim to promote sport and its educational function among the very young: Under 14 and Under 16 volleyball championships, summer Beach Volleyball courses, sailing courses and football school for children.

Also confirmed is the active collaboration with **"Gruppo Amici per lo Sport"** (Friends for Sport Group) and **"Avis"** in the organization of two social initiatives: the tenth edition of the **"Nonni e Nipoti"** (Grandparents and Grandchildren) Fast Amateur Walk with Families and the Paralympic world to raise funds for local voluntary associations, and the **"free orthopaedic screening"**: an appointment for the prevention of diseases of the spine, feet, hips, knees and shoulders of children and adults.

Not only sport and health, but also initiatives aimed at encouraging correct information through the use of reliable sources and promoting the reading of newspapers among young people: the Falconara Site sponsored the **"Campionati di giornalismo"** (Journalism Championships) project, held for the entire school year in middle schools in the province of Ancona.

## "ABC Dono per le Scuole Primarie" Project

The culture of giving explained to children. Educating children today in the Culture of Giving is the only way to build a world of better adults for tomorrow. The SARPOM Refinery in Trecate supported the **ABC Dono per le Scuole Primarie** (ABC Gift for Primary Schools) project of Fondazione Comunità Novarese onlus, dedicated to primary school pupils in the province of Novara: its aim is to make them aware of the importance of relationships and the ability to "become a community". It is a pathway, experienced at school and led by professionals and teachers, based on game activities, storytelling, workshops and creative opportunities and focusing on the theme of the culture of giving.

## Carovana della Prevenzione

SARPOM has also contributed to Komen Italia's National Itinerant Programme for the Promotion of Women's Health, which offers free activities to an ever-widening public to raise awareness and prevent the main oncological pathologies impacting women.

The **Prevention Caravan** focuses on women who are less affluent or who might not usually be covered by the free screening programmes already provided by the Italian National Health System (SSN). The programme makes use of 6 mobile units equipped with state-of-the-art diagnostic equipment and professional medical specialists.

## Contribution of medical material

The Trecate Industrial Site made a contribution to the Italian Red Cross in Trecate for the purchase of medical and educational material. This support speeds up the implementation of the numerous projects that the Italian Red Cross plans for the region, with the aim of preventing and alleviating the suffering of people affected by natural disasters, armed conflicts, disasters and other emergency situations. Thanks to the work of thousands of volunteers, the CRI provides relief, basic medical care and psychological assistance to people in distress.

### 2.4.7 IP'S SUPPORT FOR MANAGERS

#### GRI: 413.1

Confirming the positive working relationship between IP and its Managers, the work to protect the thousands of small businesses working in IP-owned service areas continued into 2023, thanks to the renewal of the Agreement, signed in June, with the trade associations.

The agreement comes at a time of particular instability in the national economy and is in continuity with the actions, started by IP as early as 2022, to support Management to help them cope with the extra energy costs resulting from the increase in bills in recent years. IP was the first company in the sector to sign such an innovative agreement and contributed more than EUR 600,000 in 2022 to the managements to help them cope with the increase in energy costs.

The new Agreement responds to management needs and provides for an increase in the economic margin. It enhances the role of the Manager not only as an entrepreneur but as a protagonist and expression of the IP Style in the essential relationship with the end customer.

A style that takes the form of valuing the end customer by applying IP strategies, offering a quality service and adopting correct and transparent behaviour. Compliance with applicable regulations, quality of service, communication and prices displayed in compliance with legal obligations, zero customer complaints, facilitating all forms of digital payment, and operating within the law are primary objectives to strive for, which identify the IP management style.



## 2.4.8 MEMBERSHIP AND PARTNERSHIPS

### FEDERAZIONE CICLISTICA ITALIANA

The Federazione Ciclistica Italiana (Italian Cycling Federation), also known as Federciclismo or F.C.I., is the governing body of cycling in Italy in all its specialties and categories (professionals, recreational, juniors, students, beginners, children, amateurs and the differently abled).



### NITTO ATP FINALS

The ATP Finals represent the most important professional tennis tournament of the year after the four Grand Slam events. The top eight men's tennis players in the ATP singles and doubles rankings participate.



## Main Partnerships

Association	Description
<b>ASSONIME</b>	Since 22 November 1910, it has been involved in the study and investigation of issues concerning the development of the Italian economy. The aim of the Association is to improve the quality of Italian and European regulation by studying its impact on the economic system and the functioning of the markets. It acts as a link between businesses and institutions by submitting the needs of businesses to institutions and assisting businesses in the best application of laws. In addition to its traditional tasks, its commitment to sustainability and digital innovation has been added in recent years, capitalizing on the spaces opened up by European legislation.
<b>CONOU</b> <b>Consorzio Nazionale per la Gestione, Raccolta e Trattamento degli Oli Minerali Usati.</b>	National Consortium for the Management, Collection and Treatment of Used Mineral Oils. The circular economy of used lubricating oil is based on collaboration between actors in the supply chain. This is the winning key to close the circle. The CONOU, with its streamlined and horizontal structure, thus aims to enhance the territory.
<b>Forum Automotive</b>	The Automotive FORUM was born with the DNA of stimulating debate among the parties involved. It is a reservoir of ideas and a hotbed of debate, a reference point for the supply chain and all enthusiasts with the aim of ensuring that motorized mobility returns to the centre of the Country System and that it is recognized as the fulcrum of economic and employment development.
<b>FuelsEurope e Concawe</b>	Division of the European Fuel Manufacturers Association, whose members are the companies operating oil refineries in the European Union. In particular, Concawe researches environmental, health and safety issues relevant to the oil industry.
<b>Innovhub</b>	Industrial and import trade levies on companies in various sectors including Fuels and Oils and Fats. They are defined by the National Centre for Research, Innovation and Technology Transfer to provide analytical, consultancy and research services in the field of fuels, with a particular focus on issues related to energy, environmental and safety performance.
<b>International Oil Pollution Compensation Fund (IOPC)</b>	It coordinates at a national level and has the task of instructing and connecting the initiatives of the various administrations concerned (Attorney General of the State, Ministry of Foreign Affairs and International Cooperation, Ministry of Infrastructure and Transport, Ministry of the Economy and Finance, Ministry of the Environment, and Ministry of Economic Development) on issues related to pollution linked to the maritime transport of hydrocarbons and polluting materials in order to determine Italy's positions at international level.
<b>La Casa delle LUCI Onlus</b>	La Casa delle Luci is a space where young people and adults with severe communicational disabilities find serenity and autonomy thanks to communication in Italian Sign Language (LIS) because there is no freedom without communication!
<b>SITEB</b>	SITEB, Strade Italiane e Bitume (Italian Roads and Bitumen), is a non-profit association that brings together the main players in the road and water-proofing membrane sector in a cross-sectional manner.
<b>Unindustria</b>	The Union of Italian Industrialists and Enterprises represents and protects companies producing goods and/or services with industrial organization, promotes and encourages the development of entrepreneurial activities, also by searching for forms of collaboration with economic, political and social institutions and organizations.
<b>UPA - Utenti Pubblicità Associati</b>	Utenti Pubblicità Associati (Associated Advertising Users) UPA is the Association that brings together the most important industrial, commercial and service companies that invest in advertising and communication in Italy.
<b>World Energy Council (WEC)</b>	An international forum which brings together industrial, institutional and university stakeholders in the energy sector, and which produces and disseminates the results of studies, reports and research in the energy field.



### 2.4.9 SERVING CUSTOMERS

#### GRI: 2-26

The recovery in consumption, after years of contraction aggravated by the pandemic, and digitalization have restored centrality to Customer Service, which assumes a decisive role in consumer relations for IP.

The customer is the protagonist of the IP world. They are at the heart of the actions to improve processes and procedures, which regulate the supply of goods and services to consumers, with the aim of better meeting their needs.

IP offers a support service through dedicated toll-free numbers (<https://ip.gruppoapi.com/numeri-utili/>) for different needs relating to products, services, billing, enquiries and complaints concerning any aspect that may affect service stations. IP customer service operators answered more than 97% of calls, with about 84% being answered within 30 seconds.

A modern contact area with a web form on its institutional website (<https://ip.gruppoapi.com/contatti/>)

it) enriches the assistance mode made available to the user (understood as any stakeholder) who can get in touch with the Group's External and Institutional Relations Function to request information or report problems concerning IP's assets.

100% of the reports received by the External and Institutional Relations office are handled and resolved.

In 2023, IP revised the main processes for handling service requests with the assignment of tickets in order to reduce the waiting and resolution time of claims, and also to improve the timeliness of responses to customer queries. For example, through a revision of the procedure for handling tickets related to problems concerning partial deliveries, faster response times and processing of requests were observed, with an improvement of more than 50% compared to previous averages.

Finally, the complete overhaul of the Interactive Voice Response (the information disk of calls coming into the call centre) made it possible to further reduce the time for resolving requests by providing a lot of information on the main cases immediately upon first contact.



## 2.4.10 LISTENING TO STAKEHOLDERS

### GRI: 2-29

Through a qualitative survey conducted with interviews and listening to internal and external stakeholders, including consumers, the sales force and managers, a brand positioning project in line with the Group's evolution and growth was launched.

The surveys carried out with the involvement of the various stakeholder categories revealed the extent to which the Italian character of the Brand, its history

and its widespread presence in the country is recognized. IP is the service station brand that accompanies travellers wherever they go, making every stop familiar, where customers can find the most innovative services and where they can recharge their batteries to get going again.

A "Planet 2030" study by Statista<sup>1</sup> and Corriere della Sera ranked IP among the most climate-conscious companies. The analysis, based on CO<sub>2</sub> consumption divided into Scope 1 and Scope 2 in relation to turnover for the years 2020-2022, took into account the company's degree of CO<sub>2</sub> reduction.

### ELECTRIC OR HYBRID CAR OWNERS

In July 2023, IP listened to 450 People in its Group regarding the use of electric vehicles. About 11% of the People confirmed that they own an electric or hybrid car.



No

Yes **11%**

**89%**

### DO YOU OWN AN ELECTRIC OR HYBRID CAR?

More than 52% of owners have an electric vehicle in order to reduce consumption and reduce their environmental impact, and on average they drive about 15,000 kilometres per year. Almost the entire sample of electric and hybrid vehicle owners use their cars for distances of less than 100 km. All respondents require a wide range of services at petrol stations so that they can spend their time elsewhere while waiting for their vehicle to be recharged. The survey of a sample of more than 1,200 people (company employees) in Europe showed that 32% own electric and hybrid vehicles. Among these:

- 80%<sup>2</sup> use a private place (i.e. home, work) to recharge their vehicle;
- 78%<sup>2</sup> use a public place at least once a month to recharge their vehicle.



Yes, but not owned. **18%**

Yes **32%**

No **50%**

Source: internal BCG survey May 2023 per IPlanet

1. Statista - a company specialising in market research ranking and analysis of company data - produced the list of the 'Most Climate-Conscious Companies', listing the Italian companies that have reduced their CO<sub>2</sub> emissions to turnover ratio the most.

2. of owners of electric or hybrid vehicles.

### 2.4.11 THE IP ENGAGEMENT PLATFORM

**APP STAZIONI IP** is more than just an app, it is an engagement platform.

With the aim of structuring a Marketing of Excellence based on data, customer centrality and digital innovation, IP has embarked on a transformational journey focused on four main areas of intervention:

1. the development of a new Mobile App as the main touchpoint at the service of users;
2. a complete overhaul of the loyalty programme based on attractive offers and experiences;
3. the adaptation of Customer Operations to bring them even closer to the mobility experience offered to customers;
4. the activation of CRM (Customer Relationship Management) processes and capabilities with the aim of driving the digital transformation of the company.

These four elements represent the strategic pillars for:

- Encouraging customer engagement through dedicated initiatives via the IP Stations App and the coordination of other contact channels (website and customer service).
- Strengthening and maintaining a lasting bond with customers, based on mutual trust and satisfaction, through a set of initiatives that encourage customer loyalty.
- Growing by improving the customer experience and creating an ecosystem of partnerships capable of offering value-added services.



The new IP Stations App is designed to be a scalable platform, capable of supporting the customer-centrality of the IP strategy and enhancing the mobile experience. The interface created is the result of analyses of device usage in terms of user experience, following market best practices and enabling a simple, intuitive and accessible user experience.

The App, in its current version and subsequent evolutions, will enable:

- "Loyalty" and "Engagement" - participation in engagement initiatives, points accumulation and redeeming rewards of various types.
- Payments - payment via the Mobile App for refueling and other related products at service stations.
- Integrated services - More services aimed at facilitating and enriching the station experience; ensuring integration between physical and digital, and supporting customers.
- Partnerships - with the activation of a brand ecosystem to stimulate new customer loyalty opportunities.

#### IPIÙ

2023 saw the launch of IPIÙ: IP's new Loyalty Programme, which since 6 November has been keeping all customers company on Italy's roads, rewarding them with every refill.

With IPIÙ, the customer is at the centre of a real reward system that gets them involved in games, quizzes, missions and prize draws, making the relationship with IP more engaging and interactive.

In addition to a rich catalogue of rewards attainable with points, the customer has access to several levels of participation. They have the chance to enjoy exclusive and customized benefits and rewards. And with the help of recurring bonuses, the road to each level is even shorter.





## 2.5 INTEGRATED HEALTH, SAFETY, ENVIRONMENT AND QUALITY MANAGEMENT

GRI: 2-8; 2-25; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10

### 2.5.1 HEALTH, SAFETY AND CERTIFICATIONS

IP adopts a Health, Safety and Environmental Management System, certified according to nationally and internationally recognized standards. People's health, safe operations and environmental protection represent primary values in IP's corporate culture. Safeguarding people's health and working to prevent any form of accident and injury, for its own workers and for external personnel working at industrial sites, are permanent priority objectives.

Value creation also passes through the effective application of organizational models capable of governing and preventing risks. Each company's Risk Assessment Document (DVR) contains: the assessment of all health and safety risks during the work activity, specifying the criteria adopted for the assessment itself; the indication of the prevention and protection measures implemented and the personal protective equipment used, following the assessment; the programme of the measures deemed appropriate to guarantee the improvement of safety levels over time; the identification of the procedures for implementing the measures to be carried out, as well as the roles within the company organization that must provide for them, to which only persons in possession of adequate skills and powers must be assigned; the identification of the tasks that may expose workers to specific risks that require recognized professional skills, specific experience, adequate education and training.

The use of best management practices, in order to prevent and minimize the risks associated with its activities, is the basis for the Group's achievement of certifications. In the performance of the Group's activities, processes and procedures are of essential importance for the achievement and renewals of certifications, such as ISO 9001:2015 (Quality Management System).





Company name	Headquarter	Certifications held
<b>api Raffineria di Ancona S.p.A.</b>	Ancona	ISO 9001 (laboratory) ISO 45001 ISO 14001 ISO 12591 bitumen for road applications Sustainability biofuels and bio-liquids
<b>BITUMTEC S.r.l.</b>	Volpiano (TO)	ISO 9001 ISO 45001 ISO 12591 bitumen for road applications ISO 13808 bitumen emulsions ISO 14023 bitumen modified by polymers
<b>IP industrial S.p.A.</b>	Roma	ISO 9001 ISO 45001 ISO 14001 Sustainability biofuels and bio-liquids
<b>IP Sede</b>	Roma	ISO 9001 ISO 45001
<b>IP deposito Levante Barletta</b>	Barletta	ISO 10617 ISO 45001
<b>IP deposito Tramontana Barletta</b>	Barletta	ISO 10617 ISO 45001 ISO 14001
<b>IP deposito Savona</b>	Savona	ISO 9001 ISO 45001 ISO 14001 Sustainability biofuels and bio-liquids
<b>IP deposito Trecate</b>	Trecate	ISO 45001 ISO 14001

\*the table does not include ESE

During 2023, all Group companies obtained the maintenance or renewal of Occupational Health and Safety certification according to the ISO 45001 standard. It should be noted that 100% of the personnel work in companies with an ISO 45001 Health and Safety Management System. Their work processes are covered by a system that is both internally audited and independently certified by third parties.

All the sites, which already had ISO 14001 environmental certification, obtained the renewal or maintenance of the same in 2023; the Barletta Depot, located at the Tramontana Pier, obtained the first ISO 14001 certification.

Italiana Petroli, the api Raffineria di Ancona laboratory, the Savona depot, and IP industrial have ISO 9001 certification, which covers all business processes. As part of the continuous improvement achieved over the years, an important role is played by Process Owners who actively participate in the certification process, providing evidence of progress to Auditors.

The Falconara Refinery and the BITUMTEC plant also hold UNI EN 12591 certification for bitumen production. For BITUMTEC, the certification framework is completed with ISO 13808 on bitumen emulsions and ISO 14023 on polymer-modified bitumen.

At the api Raffineria di Ancona site, the Integrated Management System was certified for the first time in 2002 and since then it has evolved according to the principle of continuous improvement in parallel with the plant and organizational changes implemented. api Raffineria di Ancona was the first refinery in Italy to obtain the AIA (Integrated Environmental Authorization), which was renewed in 2018, followed by some partial reviews. At the api Raffineria di Ancona industrial site, the introduction of a management software is planned, which will accommodate all the documentation of the current Integrated Management System (procedures, guidelines, Operating Manuals, DVR, DUVRI, Safety Report). The new system will introduce the computerized management of audits, safety and environmental visits and controls, and of Operational Non-conformities, with reporting, classification, review, and action plans managed electronically and traced in a timely manner. It will also introduce the creation and compilation of checklists that, over time, will be performed directly from the field, with the support of handheld devices distributed to operational staff. The entire organization will have access to the system through an Employee Portal, which can be customized.

api Raffineria di Ancona falls within the scope of Legislative Decree 105/2015 (Seveso Directive), which classifies sites at risk of major accidents due to the presence of hazardous substances.

Pursuant to the aforementioned Legislative Decree No. 105 of 2015, the Refinery is equipped with:

- A security report
- A safety management system for the prevention of major accidents, with relevant policies and procedures
- An Internal Emergency Plan (IEP)
- An External Emergency Plan (EEP)

The activities of the Working Group, which started in 2022 following the investigation of the api Raffineria di Ancona Safety Report, are continuing. The document, already updated in 2021, includes the plant modifications that have taken place compared to the previous version; the revision of the quantities of hazardous substances related to the revamping of the U 3200; the recalculation of accident scenarios by applying a new methodology with software capable of guaranteeing greater detail relative to the consequences; the inclusion of Natech risks (earthquake, tsunami, flooding) and the inclusion of all the documentation required for the Fire Prevention Certificate.

The year also saw the completion of the inspection of the Safety Management System for the Prevention of Major Accidents pursuant to Legislative Decree 105/2015.



The following table shows the safety data for employees and the personnel of external companies who worked at the industrial sites:

### Security performance

Internal staff*	2023
Hours worked	1,607,049
No. of accidents	6
Days of absence (day of occurrence excluded)	195
Number of accidents per million hours worked	3.73
Number of days of absence per thousand hours worked	0.12
third-party companies at industrial sites**	2023
Hours worked	942,334
No. of accidents	3
Days of absence (excluding day of occurrence)	234
Number of accidents per million hours worked	3.18
Number of days of absence per thousand hours worked	0.25

\* The figure does not include the hours worked at ESE, La Cantina S.r.l. and apioil UK.

\*\* The reporting boundary for accidents and hours worked by contractors includes the following companies: api Raffineria di Ancona, Italiana Petroli (Headquarters, Barletta, Savona and Trecate Depots), IP Services, BITUMTEC, IP Industrial (Rome and Nizza Monferrato Depots).

Type of accident	Employees	Contractors
Falling on the floor, slipping	2	2
Fall from height	-	-
Impact, crushing, cutting	2	1
Manual handling of loads	-	-
Projection of solid fragments and/or liquid substances	-	-
Burns	1	-
Electrocution	-	-
Road traffic accident injury	1	-
Contact with hazardous substances	-	-
Other	-	-

In 2023, six accidents occurred to employees. Two occurred at the Rome site and four at the api Raffineria di Ancona site. The corrective actions, which followed after a detailed analysis of the events and the detection of the causes, consisted of making personnel aware of routine operations, the updating of information on the correct use of PPE and the repositioning of safety signs.

With reference to non-employees, the Group monitors the external companies to which it procures services. Most of the relationships are represented by multi-year contracts for technical interventions and ordinary and extraordinary maintenance.

The following table shows the total number of entries and hours worked, with a breakdown by company:

Company	Ingressi	Ore Lavorate
Api Raffineria di Ancona S.p.A.	477	745,769
BITUMTEC S.R.L.	3,913	11,425
IP industrial S.p.A.	365	111,250
italiana petroli S.p.A.*	3,203	73,890
<b>Total</b>	<b>7,958</b>	<b>942,334</b>

\* The values reported for Italiana Petroli SPA include data from the depots in Nizza Monferrato, Savona, Trecate, Barletta and CER.

All the companies that have carried out work within the Falconara industrial site are in possession of certified management systems.

All personnel working in Italy, as required by the standard, are subject to health surveillance. The Organization verifies that the competent doctor is registered in the special list, prepared by the Ministry of Health, of doctors in possession of the qualifications and requirements provided by Article 38 of Legislative Decree no. 81/2008. Health checks may also be requested by the individual worker. In order to guarantee systematicity, ease of access and timeliness of health investigations, both those scheduled and those that become necessary on a case-by-case basis, they are carried out in-house, within the Company. In the event of specific organizational reasons and for special investigation needs, recourse may be made to facilities of the National Health Service (SSN) or to specialised Bodies and Institutes, as well as to the Competent Doctor's structure. From the statistical reports under Article 35 of Legislative Decree 81/08, there is no evidence in 2023 of final convictions relating to cases of occupational diseases. Likewise, there is no evidence of final judgements in this regard.

Overall, IP incurred HSE investment expenses of approximately EUR 18.5 million in 2023, of which:

- 12.5 millions of euros related to industrial sites;
- 6 millions of euros related to the network's points of sale and headquarters (offices).

In addition to the continuous investment activity for the improvement of the commercial and industrial sites, IP is also involved in the environmental remediation and restoration of the network's Points of Sale. These activities mainly derive from the removal of equipment due to the physiological life cycle, road changes and urban evolution.

#### Active proceedings at IP

<b>Active proceedings at 31/12/2022</b>	<b>292</b>
Open proceedings	8
Closed proceedings	33
<b>Active proceedings at 31/12/2023</b>	<b>267</b>

The trend of reducing the number of network sites involved in environmental procedures is confirmed. The company is constantly engaged in preventive and maintenance work in order to minimise possible contamination. IP devotes resources and great attention to the management of site remediation processes.

In 2023, the company used more than EUR 11 million of the EUR 32.4 million allocated as a fund for site remediation and restoration. With the addition of a further EUR 6m, the total fund allocated as of 31 December 2023 was EUR 26.7m.

### 2.5.2 ASSET INTEGRITY AND PROTECTION OF CORPORATE ASSETS

**GRI: 306-3; 416-1;**

During 2023, the Audit & Security Function, within which the Internal Audit, Security and Operational Inspections Units operate, continuously monitored the relevant corporate risk areas, with the aim of protecting corporate assets and verifying the functionality of the internal control system.

As far as predatory attacks (thefts and robberies) against IP's directly operated fuel network are concerned, 2023 showed a marked improvement over the previous year. In fact, 30 attacks were recorded compared to 41 in 2022, with an improvement even in the following specific indicators:

- risk ratio (attacks per 100 points of sale) going from 7.2% to 5%;
- protection rate (ratio of foiled attacks to total attacks) rising from 67% to 73%.

The implementation of point-of-sale protection systems follows a master plan that allows the investment budget to be allocated according to a prioritization that takes into account the major vulnerabilities and the risk level of the installations. This was done in order to focus mitigation measures (strengthening of surveillance and alarm systems) on an initial set of 89 points of sale.

In addition, again in terms of prevention, a project called "cash in" was launched in 2023 to mitigate the risk of theft and robbery at points of sale, involving an initial set of 73 out of 157 planned points of sale.

In the area of pipeline protection, in the second half of the year, a resurgence of attacks was observed, which, however, did not cause any damage to people or infrastructure.

In order to mitigate the risks, investments in pipeline protection are therefore continuing, with technology being upgraded using thermal imaging cameras and new developments in video analysis being implemented to ensure greater system effectiveness. The upgrade of 21 pipeline video surveillance stations and power supply systems was completed in 2023.

The Department carries out audits and inspections on the entire distribution supply chain (Points of Sale, carriers, Logistic Garrisons) to prevent commercial fraud, verify compliance with regulations, company documentation (procedures, guidelines, notes and operating instructions), and contracts.

Inspections are governed by specific reference procedures (Point of Sale Audit Procedure and Operational Inspection Management Procedure), which not only describe the activities, but also provide the reference for the identification of risk areas and related mitigation actions. In 2023, the following were carried out:

- 313 point of sale inspections;
- 1,055 inspections during the transfer and unloading of fuel products at the POSs, of which 499 were carried out remotely (using a CCTV system) and 556 physically, with staff interventions on the ground. Separate inspections were also conducted on the LPG transport fleet, given the specificity of the product;
- 10 verification activities on Logistic Garrisons.

The audits carried out at the Points of Sale revealed the need for process improvement involving a



cross-functional working group.

Checks during the transfer and unloading of products revealed 200 non-conformities in the areas of safety and security, which resulted in penalties of EUR 110k (EUR 152k in 2022) to be paid by carriers.

LPG transport inspections, carried out with the help of a specialized external company, were performed on 34 vehicles used by carriers for the transport and delivery of LPG, to monitor their state of maintenance, age, set-up and compliance with the requirements of ADR regulations. The checks on the vehicles were positive, with minor non-compliances being reported.

The activity, carried out on a sample of 10 out of 23 contracted Logistics Garrisons, revealed the correct-

ness of document management.

The checks produced information collected in audit reports and were shared with the Logistics & Distribution Function.

The Audit & Security Function is also constantly engaged in verifying the quality of the OPTIMO product, offered to consumers, by means of targeted audits on points of sale and tankers. In 2023, a total of 526 field audits were successfully carried out through product sampling. These activities make it possible to confirm the specification of the products placed on the market and their correspondence to the technical data sheet.

The evidence gathered during these activities represents the result of a "continuous improvement" of the qualitative and quantitative protection of the company's assets.



Please note that the safety data sheets for chemical substances and their mixtures are public and can be found on the Company's website (<https://ip.gruppoapi.com/prodotti-e-servizi/prodotti/oli-lubrificanti/schede-di-sicurezza/>) for all Group products. The data sheets are indispensable documents for hazard communication and for the correct and safe use of products throughout the supply chain. They contain specific information on health and environmental hazards and fulfil the classification criteria according to the applicable EU legislation (Regulation (EC) No. 1272/2008).

Relevant uses of the product, physic-chemical properties, toxicological information and measures to be taken for the effective protection of human health and the environment are also contained therein. Safety Data Sheets have become an integral part of Regulation (EC) No. 1907/2006 (REACH) concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals. Regulation (EC) No. 453/2010 provides guidance on how to complete Safety Data Sheets. IP provides a dedicated mailbox, [sicurezza@gruppoapi.com](mailto:sicurezza@gruppoapi.com), to provide information on MSDSs to anyone interested.

### 2.5.3 EMISSIONS

GRI: 305-1; 305-2; 305-4; 305-7

Every organization, every individual, every event or product directly or indirectly causes greenhouse gas emissions. The Carbon Footprint is therefore a measure of the total amount of emissions. Green House Gas (GHG) emissions are expressed in terms of CO<sub>2eq</sub> (CO<sub>2</sub> equivalent). CO<sub>2</sub> is the main greenhouse gas, and is taken as a reference for expressing the concentrations of the other GHGs.

An organization's emissions are divided into:

- **Direct emissions**, from the company's own sources or sources controlled by the company (Scope 1);
- **Indirect emissions**, resulting from the company's own activities, but whose source is controlled by other companies (Scope 2 and 3).

The methodological standards that define how to identify, calculate and report an organization's climate-altering gas emissions (direct and indirect) are:

- **GHG Protocol (WRI, 2011)**. Standard e linee guida per contabilizzazione e rendicontazione dei gas serra delle organizzazioni (del World Resource Institute, WBCSD). Il GHG Protocol comprende due standards:
  - » GHG Protocol Corporate Accounting and Reporting Standard: a guide for companies to quantify and report their GHG emissions;
  - » GHG Protocol Project Quantification Standard: a guide to quantify GHG reductions from mitigation projects;
- **UNI ISO 14064** (UNI, 2019). Standards for quantifying and organization-wide reporting of greenhouse gas emissions and their removal (from the International Standard Organization). It belongs to the family of 14060 standards on GHGs.

The monitoring of the following seven greenhouse gases is planned: carbon dioxide CO<sub>2</sub>; methane CH<sub>4</sub>; nitrous oxide N<sub>2</sub>O; hydrofluorocarbons HFCS; perfluorocarbons PFCS; sulphur hexafluoride SF<sub>6</sub>; nitrogen trifluoride NF<sub>3</sub> (listed since 2013).

IP considers it essential to adopt clear methodological standards that can guide the Company in identifying, calculating and reporting direct and indirect climate-altering gas emissions, providing evidence

of actions taken to mitigate them. Based on this assumption, IP gives evidence of its Direct Emissions (scope 1), Indirect Emissions (scope 2 and scope 3) and, at the same time, of the commercial and industrial projects launched in the short term, as will be seen in the specific section with the qualitative assessment of the influence of OPTIMO fuel on the GHG emissions of the Italian fleet, as well as those planned for the medium and long term. Given that the acquisition of the Italian Esso assets only took place as of October 2023, emissions from ESE S.r.l. are not included in this report.

The Group's direct CO<sub>2eq</sub> emissions amounted to 520,651 tons, a decrease of 5,252 tons compared to the previous year. Emissions from electricity purchases from the grid (Scope 2, calculated according to the Location-Based method) are equal to 72,548 tons, down 2,526 tons from 2022. Total Scope 2 GHG emissions calculated using the Market Based method are equal to 105,154 tons of CO<sub>2</sub>. It should be noted that from the total emissions, 14,802 tons are recovered in 2023 through sale at the api Raffineria di Ancona site.

The intensity of greenhouse gas emissions is calculated by relating direct (scope 1) and indirect (scope 2 and scope 3) emissions to the total tons sold by the Group. Specifically, the result for the intensity of direct emissions is 0.059 tons of CO<sub>2</sub> per ton of product sold, that of scope 2 is 0.008 and that of scope 3 is 3.413.

Attention to the environment is at the heart of the Group's activities, with particular reference to its industrial refining sites, which are directly involved in the management of greenhouse gas emissions and are also subject to the Emission Trading Directive 2018/410/EU. In fact, European guidelines require the adoption of an adequate monitoring and reporting system for emissions certified by accredited third-party bodies.

The Ancona Refinery (like all IP's industrial sites) has a specific 14001 certified management system, in which the following are defined:

- the responsibilities for fulfilling obligations;
- the methods of CO<sub>2</sub> valorisation in planning activities;
- the optimization of emissions;
- the minimization of related risks.

The following table shows the total 2023 figures for direct emissions into the atmosphere, expressed in



tons per year, relating to the Group's industrial and office sites.

2023	TON
Emissions of NO <sub>x</sub>	317.7
Emissions of SO <sub>2</sub>	263.4
Emissions of PST (total suspended particulate matter)	2.6
VOC Emissions (non-methane volatile organic compounds)	145.3

*The emission limits under the AIA, concerning only the Refinery in Ancona, are 1,000 tons per year for SO<sub>2</sub> and 470 tons per year for NO<sub>x</sub>.*

In relation to the reduction of diffuse emissions, in particular odor and VOC emissions, the Ancona Refinery followed up on the provisions of the AIA Final Investigative Opinion with the project to insert a vapor recovery system on ten tanks containing bitumen.

The project, currently running according to a timetable and already implemented expenditure of EUR 2.5 million, is divided into two phases. The first will be completed in 2024 and the second in mid-2025 for a total investment of EUR 4 million.

With an investment of EUR 11.5 million, also at the Falconara industrial site, the auxiliary boiler for steam production was replaced, equipped with LOW NO<sub>x</sub> burners, capable of guaranteeing, in standard configuration, daily emissions of less than 50 mg/Nmc compared to the current 230 mg/Nmc. The new boiler will be operational by 2024.

#### TANK INSULATIONS WITH NANOMATERIALS

Starting in 2023, a plan began for the innovative re-insulation of the tank farm in the modified bitumen part of the plant.

Three modified bitumen storage tanks with an average internal product temperature of around 170°C were chosen for the first phase.

Initial thermography showed that the pre-existing insulation, consisting of basaltic rock wool covered with a smooth aluminum sheet, was not sufficiently innovative for the purpose of maintaining heat inside the tank. Maintaining the internal temperature (170°C) was mainly ensured by heating with diathermic oil with a consequent considerable consumption of energy (methane).

The difference between the thermographs shows an energy saving of approximately 25% per tank, which is higher than expected at the planning stage.

The contribution of this intervention in terms of reducing methane consumption by 2022 is -10%. The plan envisages further work in subsequent years on the higher-temperature storage part in order to maximize the reduction of energy consumption.



## 2.5.4 INDIRECT EMISSIONS

### GRI: 305-3

The indirect GHG (GreenHouse Gas) emissions related to Scope 3 GRI 305 Standards come from sources that are not owned or controlled by the organization. They include both upstream and downstream emissions from an activity.

With the scientific support of the Institute of Science and Technology for Sustainable Energy and Mobility of the National Research Council (CNR-STEMS), IP has calculated an estimate of indirect GHG emissions (Scope 3 GRI 305 Standards), resulting from its own activities. IP therefore not only gives evidence of its perimeter related to internal activities (Scope 1 and 2) but also of the emissions produced in the entire value chain (Scope 3).

The collaboration agreement with CNR-STEMS, which started in 2022, provided for the division of work activities into three macro-phases:

1. **Definition** of guidelines for the calculation of indirect greenhouse gas emissions from Group activities;
2. **Estimation** of indirect GHG emissions from Group activities (Scope 3 GRI 305 Standards);
3. **Qualitative evaluation** of the influence of OPTIMO fuel on the GHG emissions of the Italian fleet.

CNR-STEMS referred to the Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard guidelines to identify and quantify indirect sources of greenhouse gas emissions related to api Group's activities. GHG emissions are expressed in terms of CO<sub>2eq</sub> (CO2 equivalent).

CO<sub>2</sub> is the main greenhouse gas and is taken as a reference for expressing the concentrations of the other GHGs. In particular, each gas is characterized by a Global Warming Potential (GWP), which is a relative measure of the heat trapped in the atmosphere per unit mass, compared to the heat trapped by the same mass of CO<sub>2</sub>. To obtain GHG emissions in CO<sub>2eq</sub>, the sum of the products of the emissions of each gas and their respective GWP, which always relates to a specific time interval, is calculated.

To evaluate indirect emissions, IP:

- identified the categories to be included in the evaluation, specifying those that are irrelevant or not relevant;
- outlined the boundaries of the organization to classify emission sources as direct and indirect emissions (equity share or control approach);
- described its value chain.

Two approaches were used to define the organizational boundaries of the organization:

- **Control:** The organization accounts for all quantified GHG emissions or removals from installations over which it has financial or operational control;
- **Fair apportionment:** the organization accounts for GHG emissions or removals from its installations in proportion to its equity share (ownership share).

IP is an operator that manages the entire "downstream" oil cycle, from crude oil procurement, refining, storage, and logistics to distribution and sales. The indirect GHG emissions estimated in Scope 3 include emission sources from activities





upstream or downstream of the organization's controlled activities.

In general, upstream activities are the activities and services purchased and/or performed by an organization before the achievement of the product to be sold. Downstream activities, on the other hand,

concern the products and services sold by the organization.

For each category, IP provided a general description of the category, the methodology for estimating GHG emissions related to the activities in the category, and the application of the estimate to its own case.



All indirect GHG emissions estimated for each Category, relevant to the Group's activities (excluding ESE S.r.l.), are summarized in the table below and refer to the year 2023. The total value is 29,967,710 tCO<sub>2eq</sub> and corresponds to the sum of the estimated contributions for each category, taking the average value for the categories characterized by more emission values.

Category	Description	GHG emissions, t CO <sub>2eq</sub>
Category 1	Goods and services acquired	3,925,038
Category 3	Energy and fuels	40,726
Category 4	Upstream transport and distribution	183,566
Category 5	Waste disposal	3,286
Category 7	Home-work commute of employees	1,313
Category 8	Leased assets upstream	894
Category 9	Downstream transport and distribution	30,728
Category 10	Processing of products sold	453,388
Category 11	Use of products sold	25,007,472
Category 12	End-of-life products sold	321,298
<b>Total</b>		<b>29,967,710</b>

In the year 2022, indirect emissions amounted to 28,450,851 tCO<sub>2eq</sub>. The increase in indirect emissions from the year 2023 to the year 2022 is mainly due to the increase in sales (category 11) and thus in goods or products purchased (category 1).

Categories with the highest contribution of indirect greenhouse gas emissions correspond to Category 11 and Category 1. These two categories account for more than 96.5% of the total estimated indirect GHG emissions for 2023. Processing and end-of-life of products sold account for about 1.5% of total emissions. All other categories dealt with in the estimation of indirect emissions make a cumulative contribution of about 2%, with some categories being completely negligible in percentage terms.

### 2.5.5 ENERGY CARRIERS TO INTERVENE IN THE CATEGORY 11

GRI: 305-5

#### OPTIMO

The Laboratory for Vehicle Emission Testing of the Institute of Science and Technology for Energy and Sustainable Mobility - CNR conducted an experimental activity to evaluate the benefits of OPTIMO on the pollutant emissions and consumption of three types of vehicles.

The experimental test covered:

- a Euro 4 petrol-powered passenger car (Lancia Y)
- a Euro 4 diesel passenger car (Opel Corsa)
- a Euro 4 diesel light commercial vehicle (Fiat Ducato)

The selected vehicles, which meet the Euro 4 standard and are homologated with emission standards assessed on the NEDC (New European Driving Cycle), are considered sufficiently representative of the Italian car fleet in circulation.

The tests, on the other hand, were conducted on the chassis dynamometer on the new WLTC (World Harmonised Light Vehicle Test Cycle) valid for Euro

6 vehicles under Regulation (EU) 2017/1151, as it is considered more realistic than previous homologation cycles. The study was conducted on the WLTC cycle because it is considered to be more dynamic. In fact, the cycle is more comparable to real driving in urban, suburban and motorway environments. The emissions and consumption of each vehicle were compared with both a basic fuel and the OPTIMO fuel. The results refer to cold and warm engine starting conditions (COLD and WARM), to the 4 phases of the driving cycle, characterized by increasing average speeds (low, medium, high, extra-high), and to the overall cycle.

The use of OPTIMO resulted in a reduction in CO<sub>2</sub> emissions for all vehicle classes and test conditions tested. The greatest reduction was seen in the two diesel vehicles (>7%), which benefited most from the cleaning effect of OPTIMO on the fuel injection system. The petrol vehicle showed a reduction in fuel consumption of over 2% over the entire cycle. Starting from the experimental results, the estimated benefits of OPTIMO were obtained by applying the fuel consumption reductions, measured in the tests, to the average fleet of vehicles circulating in Italy.



**OPTIMO: CO<sub>2</sub> EMISSIONS REDUCTION**

The graphs represent the percentage reduction in CO<sub>2</sub> emissions of OPTIMO additive products, compared to standard diesel or petrol products.



The data are statistically significant at the 95% confidence level.

The calculation methodology firstly involves the assessment of the average consumption and CO<sub>2</sub> emissions of the Italian vehicle fleet. This assessment is the reference condition for emissions from the fleet of vehicles running on commercial fuels. The next calculation step involves estimating the emissions of the same fleet in relation to the use of OPTIMO fuel.

IP started further types of tests in 2023 to improve the representation of the car fleet and refine the estimation of the benefits of OPTIMO. Taking into account the results of tests carried out on Euro 4 vehicles, which are particularly representative of the Italian fleet in circulation and based on the estimated consumption of the fleet in circulation using reference fuels, it was possible to estimate the

consumption and CO<sub>2</sub> emissions of the same fleet fueled with OPTIMO. Three different uses were studied for both vehicle categories: urban, non-urban and motorway.

The estimate was made by applying the consumption reductions measured experimentally with OPTIMO to the consumption estimated with the basic fuel of reference.

Ultimately, the Group was also able to estimate the reduction in emissions resulting from the use of the OPTIMO product, confirming a reduction in environmental impact of over 2%, equivalent to over 350,000 tons of CO<sub>2eq</sub> avoided. The amount of CO<sub>2</sub> avoided corresponds to a reduction in the Group's direct emissions of about 67%.

## THE BENEFITS OF OPTIMO

## QUALITY



Keeps the engine clean, thus reducing maintenance costs



Improves engine performance



## Engine care and efficiency

OPTIMO removes combustion residues and lubricating oil from the engine (Clean-up effect) and keeps it clean (Keep-clean effect), protects the engine from corrosion and reduces friction between mechanical parts: more efficient combustion improves engine performance and also reduces maintenance costs.

## ENVIRONMENT



Reduces consumption and saves money with every refill



Helps reduce CO<sub>2</sub> emissions and environmental impact



## Environmental improvement

The deployment of OPTIMO in IP service stations has enabled the Group to reduce its environmental impact in the products sold category.

## LAWFULNESS



Contains an anti-fraud tracer, which guarantees the origin and quality of the product



## Anti-counterfeiting traceability

OPTIMO contains a tracer, which makes it possible to certify the product's chain of origin. IP can verify and assure the quality and performance, specifications of its products. The tracer performs a real anti-counterfeiting function that enables IP to provide its v in combating the scourge of illegal fuel trafficking, which generates tax evasion and puts car engines at risk.



## BIOFUELS

In 2023, the Group consumed a total of approx. 310 kt of biofuels thanks to its own bio-derived raw material co-processing production capacity at the Falconara Marittima and San Martino di Trecate sites (commissioned in the year), as well as the introduction of products such as bio-ETBE, bio-diesel and HVO into its logistics system.

The use of these biofuels in the transport sector is associated with a reduction in CO<sub>2</sub> emissions, in relation to the entire life cycle of the products and, in

differential terms, compared to the consumption of conventional fossil fuels, which can be calculated at over 230 kt.

Particular efforts were made by the Group to introduce HVO (Hydrotreated Vegetable Oil) into its product portfolio. HVO is a new generation of paraffinic diesel fuel made from raw materials that comply with the European Renewable Energy Directive (EU) 2018/2001 (so-called "REDII"), which ensures better environmental performance than first-generation bio-diesel.

## ELECTRIC

With the IPlanet project, IP plans the gradual installation of Fast+ (160 kW) and ultrafast (at least 300 kW) electric recharging points at 507 service stations, with the aim of enabling travellers to refuel in about 15 minutes, reducing waiting times and bringing the use of electric cars increasingly closer to that of conventional vehicles.

The Project provides for the transformation of about 70 service stations each year, each equipped with an average of 4 ultra-fast recharging stations: the plan calls for 1,200 electric recharging points by 2027 and about 2,900 by 2032.

In many IPlanet service areas, electricity will also be

supplied by solar panels installed on site and managed by battery storage systems to allow optimal utilization of the renewable source.

In 2023, IP also obtained a new EUR 29.3 million non-repayable grant, within the framework of the AFIF - Transport Alternative Fuel Infrastructure Facility - CEF2 community programme, specifically for the installation of electric recharging infrastructures. The project, which turned out to be the most relevant among the Italian ones promoted, envisages the development of recharging infrastructures in 205 stations through the construction of 1,089 ultrafast recharging points, partially electrified with renewable energy and storage systems.



## 2.5.6 ENERGY CONSUMPTION AND RENEWABLE ENERGY

GRI: 302-1; 302-2; 302-3; 305-7

The Group's energy consumption in 2023 amounts to 239,032 TOE (tons of oil equivalent) corresponding to 10,008 Tjoules (10,008,291 Gjoules) and decreasing by 4,405 TOE towards 2022.

The energy intensity, calculated by relating energy consumption expressed in Gjoules to the total tons of products sold by the Company, is equal to 1.1398.

Details by source are shown in the table:

Carrier	TJoule	Consumption (TEP)
Electricity	1,803	43,068
Natural Gas	1,772	42,326
LPG		
Diesel	8	194
Fuel gas (self-produced)	6,418	153,283
Fuel oil	7	160
<b>Total energy consumption</b>	<b>10,008</b>	<b>239,032</b>

Consumption outside the organization amounts to 7,082 TOE, or 296.46 TJoule.

Through CER campana energie rinnovabili S.r.l., IP owns a wind power plant in the area of Castelfranco in Miscano, in the province of Benevento. The park consists of 50 wind turbines with a unit power of 600 kW for a total installed capacity of 30 MW. The plant produces an average of 35,000 MWh per year, covering the average needs of about 12,000 households.

A proposal for the overall modernization ('repowering') of the wind farm with the replacement and reduction of the existing wind turbines and the installation of only five wind turbines is underway: the authorization process is in its final stages.

The Modernization Project, which envisages an increase in the producibility of the existing plant with the same connection power, is consistent with the objectives set out in the June 2023 version of the Integrated National Energy and Climate Plan (PNIEC), in which it is envisaged to pursue a target of covering 40.5% of gross final energy consumption from renewables in 2030, reaching 65% of national electricity consumption from renewable sources. The PNIEC, in fact, aims to achieve the targets on electricity production from renewable sources not only through the construction

of new plants, but also through 'the maintenance and, if possible, the increase of renewable production, of existing plants, for which the focus is to provide support mainly through measures of simplification and clarification of the regulatory framework'.

According to the project, 30.96 ktCO<sub>2</sub>/year will be avoided as a result of the implementation and operation of the project, which a plant fueled by conventional fuels would have emitted for the same level of electricity production.

The repowering project would guarantee approximately three times more electricity produced and a proportional reduction in potential CO<sub>2</sub> emissions, all combined with a massive reduction in the number of turbines on the site, which will be reduced from 50 to 5. The growth of energy production implies with the same proportion the reduction of CO<sub>2</sub> equivalent production. To estimate the CO<sub>2</sub> potentially saved, reference is made to the information contained in the ISPRA 343/2021 document "Indicators of efficiency and decarbonization of the national energy system and the electricity sector", correlating the estimate with the total CO<sub>2</sub> emission factor from gross thermoelectric production (454.6 gCO<sub>2</sub>/kWh).

In 2023, CER's wind power plant produced 27,364 MWh.

IP also has a group of photovoltaic plants, owned and shared, distributed throughout Italy for an installed power of over 4.264 MW. One plant with an installed power of about 96.7 kW is located on the roof of the warehouse adjacent to the Group's headquarters in Rome. In the Corridonia (MC) area, on the other hand, there is a ground-mounted plant with a capacity of 676 kW. Shared-ownership plants managed through the 51% owned subsidiary Sòlergys include 2 large plants (one 1,352 kW in Catania and one 1,984 kW in Terni) and 11 petrol stations with shelters covering photovoltaic plants for a total of 135 kW.

All the energy produced in 2023 by the CER wind power plant was sold through traders with the relevant guarantees of origin. The energy produced by the photovoltaic plants is partly self-consumed (38,536 kW) and partly sold through a Power Purchase Agreement (PPA) or Dedicated Withdrawal (RID) contract or through a Net Metering (SSP) contract to the GSE.

## 2.5.7 WASTE MANAGEMENT

GRI: 306-1; 306-2; 306-3 (2020); 306-3 (2016); 306-4; 306-5

In the area of waste management, the Group's commitment is to comply fully with current regulations and to maximize the proportion of waste destined for recovery, reducing the amount subject to disposal.

Tipologia	TON
<b>Waste NOT sent to landfill</b>	<b>5,843.27</b>
<b>Hazardous</b>	<b>1,126.34</b>
of which preparation for re-use	114.88
of which preparation for re-use on-site	-
of which preparation for re-use off-site	114.88
of which recycling	16.33
of which on-site recycling	-
of which off-site recycling	16.33
of which other recovery operations	995.14
of which other on-site recovery operations	-
of which other off-site recovery operations	995.14
<b>NON-Hazardous</b>	<b>4,716.93</b>
of which preparation for re-use	1,407.12
of which preparation for re-use on-site	-
of which preparation for re-use off-site	1,407.12
of which recycling	2,895.73
of which on-site recycling	-
of which off-site recycling	2,895.73
of which other recovery operations	414.08
of which other on-site recovery operations	-
of which other off-site recovery operations	414.08

Tipologia	TON
<b>Waste sent to landfill</b>	<b>2,816.10</b>
<b>Hazardous</b>	<b>2,178.09</b>
of which incineration with energy recovery	13.42
of which incineration with energy recovery on-site	-
of which incineration with energy recovery off-site	13.42
of which incineration without energy recovery	2,077.07
of which incineration without energy recovery on-site	-
of which incineration without energy recovery off-site	2,077.07
of which landfill	3.75
of which landfill on-site	-
of which landfill off-site	3.75
of which other disposal	83.85
of which disposal on-site	-
of which disposal off site	83.85
<b>NON Hazardous</b>	<b>638.02</b>
of which incineration with energy recovery	0.52
of which incineration with energy recovery on-site	-
of which incineration with energy recovery off-site	0.52
of which incineration without energy recovery	120.83
of which incineration without energy recovery on-site	-
of which incineration without energy recovery off-site	120.83
of which landfill	357.74
of which landfill on-site	-
of which landfill off-site	357.74
of which other disposal	158.93
of which disposal on-site	-
of which disposal off site	158.93



A total of 8,659 tons of waste was produced, of which 5,843 tons (67%) were not sent to landfill, but were recycled, reused or recovered. Only 2,816 tons (33%) were landfilled. Of these, 14 tons were destined for energy recovery. Of the waste sent to landfill, 638 tons were classified as non-hazardous. With reference to the reporting year, there were also no significant spills on soil, vegetation, water basins or groundwater.

At the Falconara Marittima Refinery, thanks to the use of a new centrifuge, the efficiency of oil sludge treatment has improved, allowing a reduction in the quantity of waste CER 05.01.06. In addition, thanks to the co-processing activity, approximately 20 tons of biofuels were produced from waste and residues, for which a double energy content (double counting) is considered for the purpose of calculating the release obligations for petrol and diesel suppliers. This is a first contribution to the circular economy: in fact, co-processing mainly processes waste that would otherwise have to be disposed of co-processing of renewable raw materials takes place at the Ancona and Trecate refineries. Sustainability certifications for biofuel production, in fact, recognize the IP supply chain's ability to sustainably produce double counting and advanced biofuels from raw materials.

On its distribution network, IP has made available to all Managers, including partners, agreements with a non-profit consortium for the collection and treatment of electrical and electronic equipment, which carries out, throughout the country, a service for the complete and widespread management of the phases related to the collection, transport, recovery and treatment of WEEE and, alongside the collection at municipal Ecological Islands, has activated a series of voluntary channels dedicated to transfers, including those of professional users.

#### **BITUMTEC: RECOVERY AND REUSE OF BITUMEN EMULSION BASES**

In 2023, thanks to the construction of a new plant connection line between the modified bitumen plants (hot part) and the emulsion plant (cold part), it was possible to reprocess approximately 27 tons of bitumen emulsion bases in the tanks. This activity avoided the inevitable transformation of the bases into waste to be sent for subsequent recovery in the waste-to-energy plant with the associated cleaning and reclamation of the tanks themselves.

## **2.5.8 WATER WITHDRAWALS AND DISCHARGES**

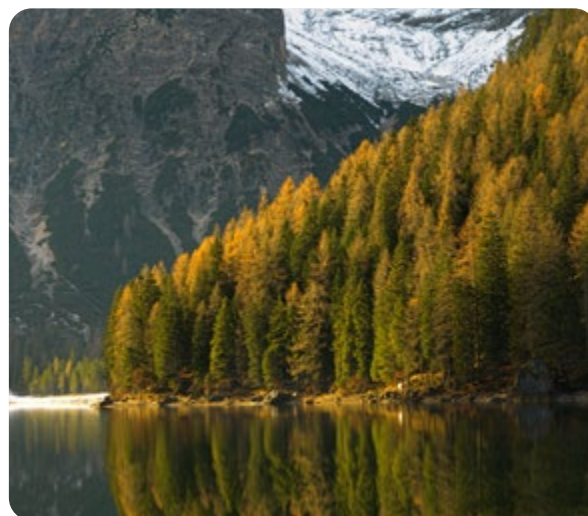
**GRI: 3.3; 303-1; 303-2; 303-3; 303-4; 303-5**

Regarding water withdrawals, the Group has a water requirement of 6,940,856 m<sup>3</sup>. The average reuse, thanks to TAS (wastewater treatment and recovery) is about 46.8%. The value of water discharges is equal to 3,274,932 m<sup>3</sup>, with all discharges occurring in fresh water. The annual water consumption, understood as the difference between water withdrawals and discharges, is 3,665,924 m<sup>3</sup>. The table shows the breakdown of water withdrawals by source:

Source	Withdrawals (m <sup>3</sup> )
Fresh water	6,675,329
from surface water	90,000
underground	3,172,489
from aqueduct	96,251
from treatment and recovery	3,246,509
from other	70,080
<b>sea water</b>	<b>265,527</b>

3,246,509 m<sup>3</sup> of water was reused following recovery and treatment. The value of water reuse comes mainly from the Wastewater Treatment plant at the Group's industrial sites, Falconara and Rome.

In addition, at the Falconara site, in order to increase the recycling rate, a revamping of the Wastewater Treatment plant is being studied, involving the use of new technologies that, together with an improved process scheme, would lead to better plant performance.





## 2.5.9 BIODIVERSITY

GRI: 2-25; 304-1; 304-2; 304-3; 304-4

IP takes actions to mitigate the presence of its activities in the territories by investing in the best existing and environmentally friendly solutions and technologies. The goal is to pursue the harmonious coexistence between the assets and the territory that hosts them.

### CONTRIBUTION TO THE PRESERVATION OF BIODIVERSITY

IP Gruppo api is continuously committed to safeguarding the environment and the areas where its production sites operate, in particular for api Raffineria di Ancona.

The Site covers a large area of 700,000 square metres in the municipality of Falconara Marittima (AN). One of the Group's primary objectives is to minimise the environmental impact of the site's production activities in order to preserve the balance of the delicate surrounding ecosystem<sup>1</sup>.

The refinery is located on the Marche coast, about 10km north of Ancona and about 18km from the Ripa Bianca di Jesi Regional Nature Reserve, a protected

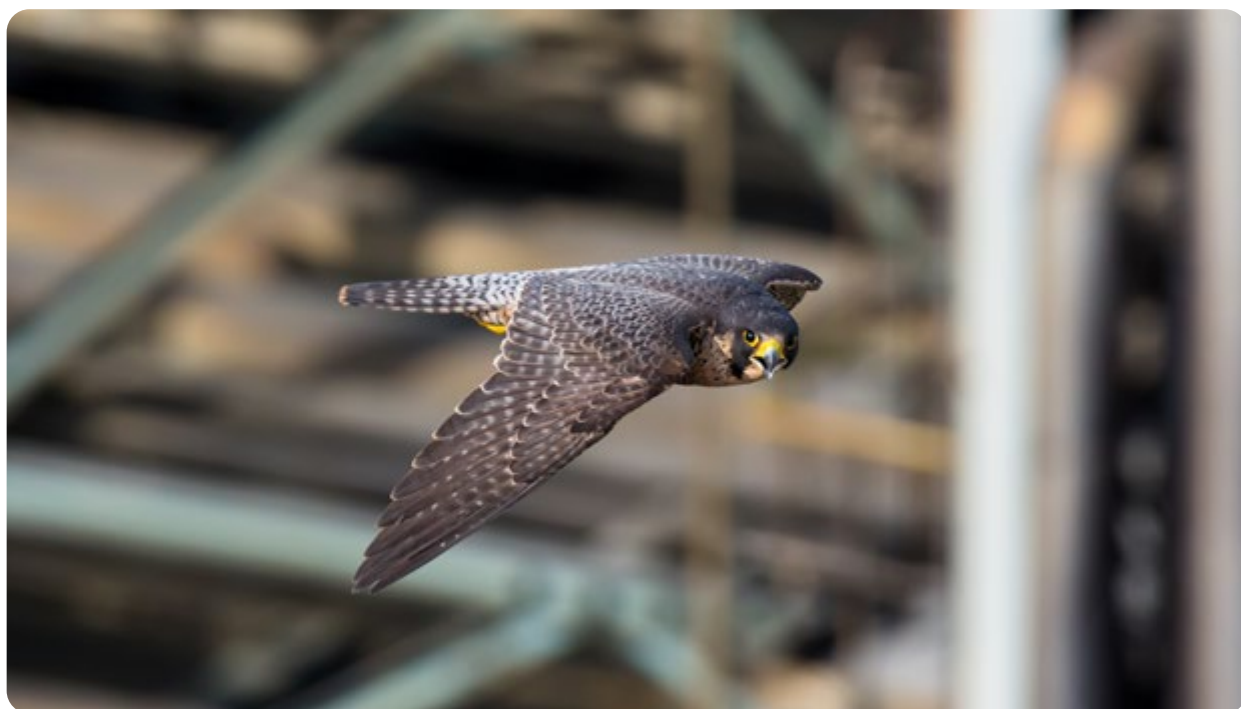
land area managed by WWF Italy ETS (and listed as a WWF Oasis).

The reserve, established in 2003, covers an area of 310 hectares. Within it, it hosts a Site of Community Importance (SCI), also designated as a Special Protection Area (SPA), named "Fiume Esino in Ripa Bianca di Jesi".

This area represents a habitat of fundamental importance for various animal and plant species, spreading over an area of 140 hectares. The reserve consists of different environments:

- Fluvial: with a stretch of the Esino river surrounded by wetlands and a riparian forest;
- Agricultural: with the traditional crops from the valley and rows of oaks, mulberry trees, poplars and field hedges;
- Lacustrine: site of an important garzaia (nesting site of herons and the like).

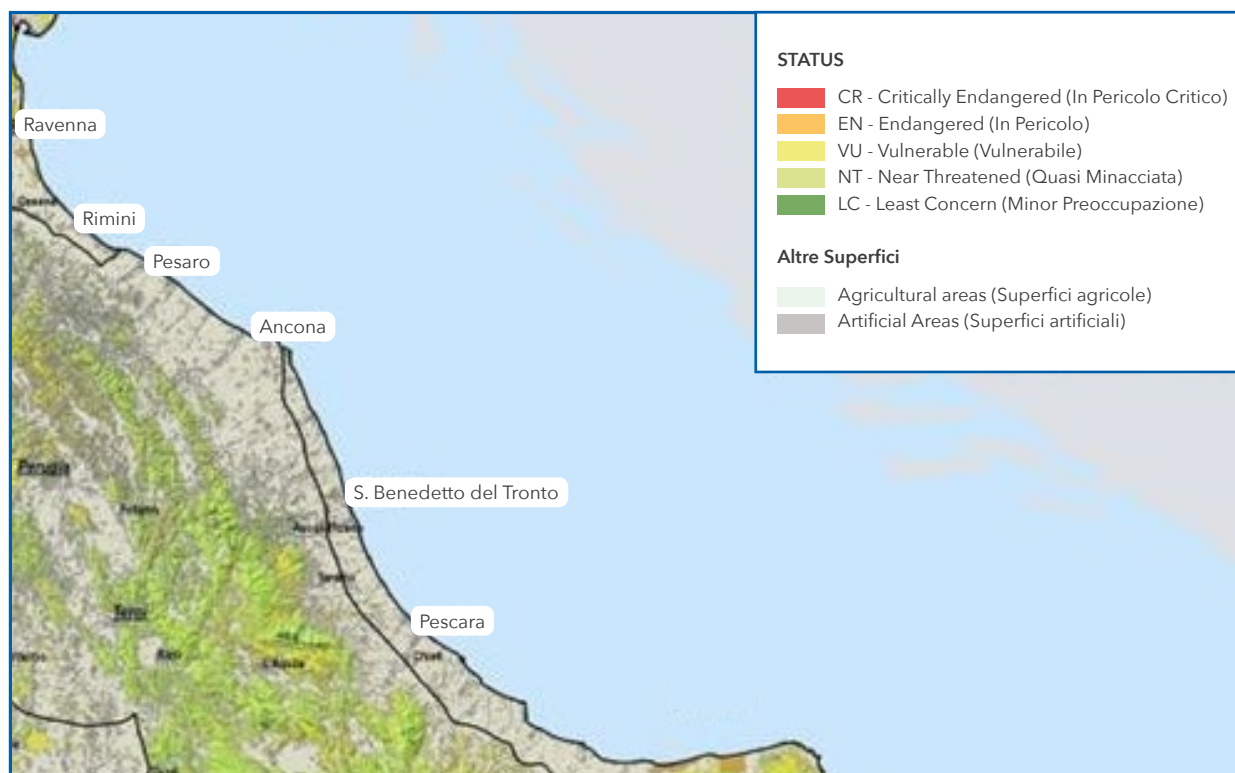
The Reserve, halfway between the Regional Parks of Monte Conero and the Gola della Rossa e Frasassi, is crossed by the Esino river and is one of the most important wetlands in the Marche region with the presence of around 150 species of birds, some of which are of particular naturalistic importance.



1. During 2023, no specific restoration activities were planned for the protected habitats surrounding the site.

Considering the geographical location of the activities of api Raffineria di Ancona and the surrounding

areas, there are no species - with reference to the IUCN Red List<sup>2</sup> - of endangered status.



### THE PROTECTION OF SOIL AND SUBSOIL

Commitment to responsible land use has been one of the refinery's most stringent commitments for decades. On the soil and subsoil protection front, the first interventions date back to 1994, and fundamental steps were taken between 2005 and 2006, also following an organic definition at a regulatory level. In those years, the hydraulic barrier system was implemented, which, with the further developments set out in Ministerial Decree 2014, works to ensure the containment of contamination within the site boundaries, preventing both the outflow of groundwater towards the Adriatic Sea and the Esino River and the phenomenon of saline intrusion. Developed from the hydrogeological model, today this Operational Security (MISO) system consists of:

- 29 pumping wells, which intercept the groundwater, facilitating the recovery of the product floating on it (supernatant);

- Groundwater Treatment Plant (TAF), for the purification of contaminants present in the groundwater;
- 96 wells, forming the re-entry barrier;
- a network of monitoring piezometers, which also includes points outside the site and makes it possible to monitor the proper functioning of the entire complex.

It is through the analysis of numerous parameters (hydraulic, hydro-chemical, chemical-physical) that the effectiveness of the system is verified and controlled: monthly monitoring campaigns are carried out on the piezometers located downstream of the site, quarterly campaigns on the deep piezometers, and six-monthly campaigns on the quality of the first and second water tables; the quality of the interstitial gases is checked quarterly; the waters of the pumping barrier at the entrance to the TAF plant are monitored; there are also daily, weekly and monthly phreatimetric monitoring.

2. The IUCN Red List of Threatened Species

### SEA WATER AND MARINE SEDIMENT: CONTINUOUS MONITORING

For years, api raffineria has been monitoring, through water and sediment surveys, the state of the marine area between the coastline near the Falconara Marittima railway station and the area in front of the former Montedison plant, on the Montemarcano municipal boundary. It covers 4 km of coastline, extending 2.5 km towards the open sea; the central area, which accounts for about one third of the area, is located in front of the refinery.



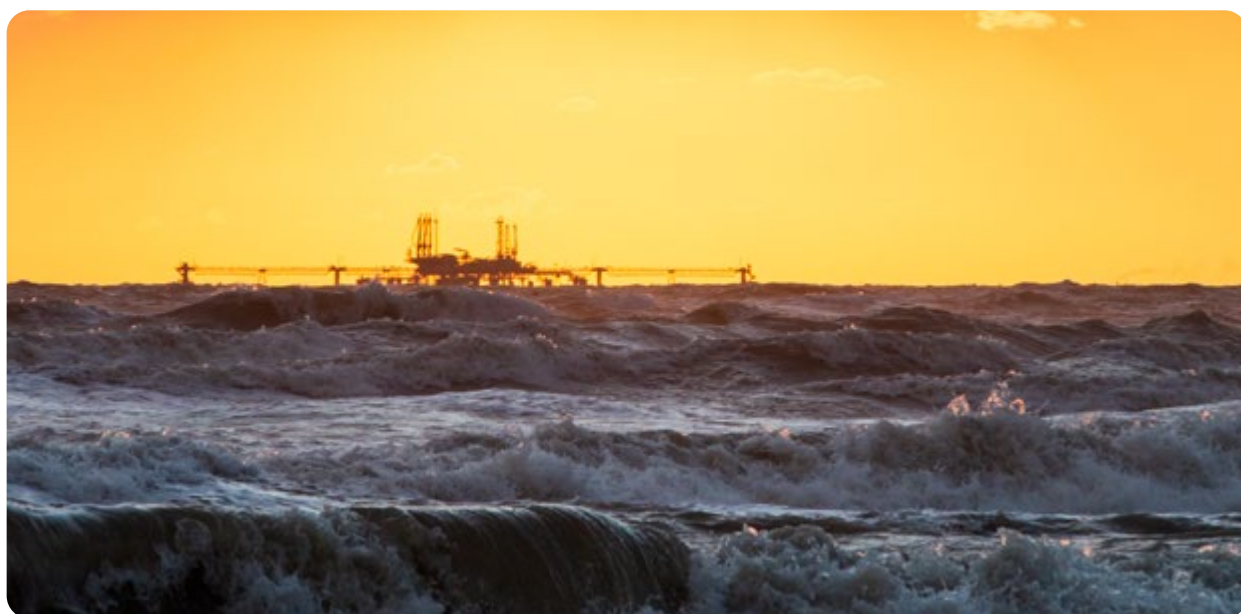
In detail, the monitoring plan, shared with the competent authorities, provides for:

- bimonthly surveys of chemical-physical variables and phytoplankton populations;

- six-monthly surveys of seawater chemical variables and macrozoobenthic communities;
- annual surveys of sediment chemical variables.

The latest available results, referring to the year 2022, record wide seasonal variations in the thermal and salinity characteristics of the water, which can be associated, in summer and autumn, with the meteorological conditions that characterised the Marche region. In water, concentrations of metals, metalloids, hydrocarbons and organic solvents were substantially undetectable and below the threshold levels set by the reference regulations. The concentrations of metals and metalloids in the sediments are also below the regulatory threshold levels; for hydrocarbons, values below the analytical quantification limit were found, with the exception of naphthalene and fluoranthene, which, however, each present in a single sample, showed values significantly below the limits set by the Consolidated Environmental Act. Looking at the AMBI Index and the M-AMBI index (Multivariate Marine Biotic Index), which take into consideration the state of benthic macroinvertebrate communities, it can be seen that the area does not feature any environmental disturbances and its ecological status is between "moderate" and "good".

With a view to reducing its influence on the consumption of natural resources, api raffineria is assessing the feasibility of reusing the water used in refining processes: the first step will be a specific study, which will provide the necessary details.



## 2.6 CREATING QUALITY WORK

GRI: 2-7; 2-25; 2-30; 3.3; 202-1; 401-2; 401-3; 405-1; 405-2

### 2.6.1 PEOPLE AND ORGANIZATION

There are 1,629 IP Personnel as of 31 December 2023 with a total of 1,994,304 hours worked in the year.

The percentage of female employees is 20.01%, while approximately 21.3% of women hold positions of responsibility (Executives and Management) in the Group.

#### Employment level 2023

Category	Total	M	F
Executives	76	69	7
Management	393	300	93
Office workers	807	585	222
Manual workers	353	348	5
<b>Total</b>	<b>1,629</b>	<b>1,302</b>	<b>327</b>

#### Age group 2023

Age group	Total	M	F
>30	125	102	23
30-50	558	441	117
over 50	946	759	187
<b>Total</b>	<b>1,629</b>	<b>1,302</b>	<b>327</b>

The averages resulting from the consolidation of data at Group level are influenced by certain professional groups in which the presence of men is higher, for example in sales, service and consulting in the territory and in the production area.

Of the total workforce of 1,629 people, of whom 327 are women and 1,302 men, 540 of whom (92 women) belong to ESE (also includes SAR- POM and ENGYCALOR). The total number of people, shown in the table, also includes 13 people from Cantina S.r.l., of which 7 are women, 2 people from apioil UK, of which 1 is a woman, and 2 people from Sigea.

More than 99% of personnel have a full-time permanent contract. Compared to the total number of employees, 26 people, of whom 23 women, have permanent part-time contracts and 12 people, of whom 4 women, have fixed-term contracts.







The following table shows the type of contract and company.

Company	Fixed Term	Permanent	Overall Total
<b>api Raffineria di Ancona S.p.A.</b>	-	<b>343</b>	<b>343</b>
<i>full-time</i>	-	343	343
<b>BITUMTEC S.r.l.</b>	-	<b>12</b>	<b>12</b>
<i>full-time</i>	-	12	12
<b>ESE S.r.l.</b>	-	<b>99</b>	<b>99</b>
<i>part-time</i>	-	1	1
<i>full-time</i>	-	98	98
<b>IP Industrial S.p.A.</b>	<b>1</b>	<b>85</b>	<b>86</b>
<i>full-time</i>	1	85	86
<b>IP Services S.r.l.</b>	-	<b>1</b>	<b>1</b>
<i>full-time</i>	-	1	1
<b>italiana petroli S.p.A.</b>	<b>5</b>	<b>625</b>	<b>630</b>
<i>part-time</i>	-	19	19
<i>full-time</i>	5	606	611
<b>SARPOM S.r.l.</b>	-	<b>378</b>	<b>378</b>
<i>part-time</i>	-	2	2
<i>full-time</i>	-	376	376
<b>Sigea S.r.l.</b>	-	<b>2</b>	<b>2</b>
<i>full-time</i>	-	2	2
<b>ENGYCALOR</b>	<b>1</b>	<b>62</b>	<b>63</b>
<i>part-time</i>	-	2	2
<i>full-time</i>	1	60	61
<b>apioil UK</b>	-	<b>2</b>	<b>2</b>
<b>La Cantina</b>	<b>5</b>	<b>8</b>	<b>13</b>
<i>part-time</i>	-	2	2
<i>full-time</i>	5	6	11
<b>Totale complessivo</b>	<b>12</b>	<b>1,617</b>	<b>1,629</b>

The following are included in the table:

- 13 employees of the company La Cantina S.r.l., of which 5 fixed-term full-time and 1 permanent part-time;
- 2 employees of the company apioil UK on permanent full-time contracts;
- 2 employees of the company Sigea S.r.l. on permanent full-time contract;
- 540 ESE S.r.l. employees (99 ESE S.r.l. employees, of which 1 is permanent part-time, 378 SARPOM S.r.l. employees, of which 2 are permanent part-time, and 63 ENGYCALOR employees, of which 1 is permanent full-time).

The national collective bargaining agreements applied in the perimeter are the one for energy and oil, which covers almost all employees, and the one for trade.

The overall degree of unionisation is 40.09%. Excluding the companies ESE, Cantina S.r.l., Sigea and apioil UK Ltd. from the perimeter, the same percentage stands at 56.46%.

The regional breakdown, shown in the table below, includes 13 employees of Cantina S.r.l., 2 employees of apioil UK Ltd. (working in the UK) and 540 employees of ESE (specifying the subsidiaries SARPOM and ENGYCALOR). 100% of IP's management is Italian. Any transfers of employees for technical, organizational and production reasons are communicated in accordance with the provisions of national collective bargaining agreements and with adequate notice.

Ragione Sociale	Genere	Abruzzo	Campania	Emilia Romagna	Lazio	Liguria	Lombardia	Marche	Piemonte	Puglia	Toscana	Veneto	Sicilia	Alto Adige	EE
api Raffineria di Ancona S.p.A.	F	-	-	-	-	-	-	25	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	318	-	-	-	-	-	-	-
BITUMTEC S.r.l.	F	-	-	-	-	-	-	-	4	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	8	-	-	-	-	-	-
ESE S.r.l.	F	-	-	-	22	1	1	-	3	-	-	-	-	-	-
	M	-	-	-	33	14	10	-	15	-	-	-	-	-	-
IP Industrial S.p.A.	F	-	-	-	5	-	-	-	-	-	-	-	-	-	-
	M	-	-	-	78	-	-	-	3	-	-	-	-	-	-
IP Services S.r.l.	F	-	-	-	1	-	-	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	-	-	-	-	-	-	-	-
italiana petroli S.p.A.	F	-	1	1	176	4	2	3	3	-	2	-	-	-	-
	M	10	21	12	253	36	35	8	16	29	9	9	-	-	-
SARPOM S.p.A.	F	-	-	-	-	-	1	-	33	-	-	-	-	-	-
	M	-	-	-	-	18	-	-	326	-	-	-	-	-	-
Sigea S.r.l.	F	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	M	-	-	-	-	-	2	-	-	-	-	-	-	-	-
ENGYCALOR	F	-	1	-	7	-	10	-	3	-	-	1	2	3	-
	M	-	6	-	1	-	6	-	2	-	1	1	7	2	-
La Cantina	F	-	-	-	-	-	-	7	-	-	-	-	-	-	-
	M	-	-	-	-	-	-	6	-	-	-	-	-	-	-
UK	F	-	-	-	-	-	-	-	1	-	-	-	-	-	1
	M	-	-	-	-	-	-	-	-	-	-	-	-	-	1

Out of a total of 502 persons entitled to parental leave, 7.71% of men and 24.78% of women took parental leave during the year 2023. The return rate at the end

of the leave was 100%. The retention rate 12 months after return was 100%.



In 2023, the Group's turnover rate was 1.24% (this figure rises to 2.95% if only the Italian oil companies, api Raffineria di Ancona, IP industrial and BITUMTEC are considered).

Turnover	Under 30		30-50		Over 50		Total
	M	F	M	F	M	F	
Outgoing employees	4	0	9	6	34	3	<b>56</b>
New recruits	33	7	20	2	11	1	<b>74</b>

A total of 61 employees left, 10 of whom are women. In particular, 9.8% were under the age of 30, 26.2% were in the 30-50 age bracket, and 63.9% were over 50. Geographically, the region with the highest number of terminated employees is Lazio (72.1%). On the other hand, as far as hiring is concerned, the total number of employees hired in 2023 is 83, of which 72 are men and 11 are women. Of these, 50.6% are in the under-30 bracket, 32.5% are between 30 and 50 years of age and 16.8% are over 50. Again, the region with the highest number of recruitments is Lazio (75.9%).

With reference to the ratio of women's base salary to men's base salary, the following table shows the breakdown by qualification.

Ratio of base salary of women to men	Anno 2023
Executives	72.45 %
Management	96.50 %
Office workers	91.75 %

In line with the objective of innovating the company's operating structures, new hires mainly covered commercial roles, in the production and supply chain area, and in staff functions. The recruitment and assessment phases included a balance of women out of the total number of participants in the selections. The percentage of women recruited (excluding manual roles in logistics and industry in which male candidates were placed) was around 22%. The new female recruits cover roles in sales, IT and engineering, legal and administrative staff.

The areas of greatest difficulty in finding professionals, due to competition in the labour market, were Technical Purchasing, ICT, and Marketing and Digital Innovation.

The fruitful collaboration with universities played an important role in monitoring recruiting channels for young graduates.

The year 2023 saw IP play a leading role in two major extraordinary transactions: the acquisition of the fuel and refining assets and activities of Esso Italiana and the establishment of IPlanet, which has been described in the relevant sections. A gradual renewal of IP's organizational structure accompanied these operations. Specifically, the changes introduced concerned the Administration, Tax and Finance Department, the Marketing & Digital Innovation Department and the Purchasing Department, all of which play a central role in managing the sustainable growth of the organization. The managerial renewal also affected the operational management of the Savona and Trecate Depots and the Logistics Hub in Rome.

In a context of major, intertwining challenges and evolving consumer expectations and needs, the Group has embarked on a transformation process inspired by the principles of digital first and customer centricity to cope with the changes, equipping itself with new resources, skills and new operating models. With the aim of seizing opportunities for synergy, greater operational effectiveness and timeliness in responding to the needs of external stakeholders, the Sales Department underwent an internal reorganization that concerned the management and development of the distribution network, both proprietary and that of partners, the optimization of the business support structure and the reorganization of maintenance activities.

The new organizational changes in the Group required the adjustment of 20 new company procedures with a view to improving the internal efficiency of processes and gave impetus to new hirings and job rotation activities, involving both experienced figures and young recruits with the aim of enhancing skills and encouraging the acquisition of new ones as part of a growth path. The induction of new people into the company was accompanied by the enhancement of senior figures by re-evaluating their experience and reconciling their personal and organizational life needs.

More generally, research activities were part of a process of enhancing internal resources and growing the most valuable resources towards management roles or greater professional specialization. With this in mind, they aimed to nurture job rotation processes or the timely insertion of key resources in intermediate roles, or in specific professional niches, that were at risk of becoming unfilled in a medium-term perspective.

The agreement for the creation of the 50/50 joint venture with Macquaire, which will lead to the establishment of the IPlanet company, laid the foundations for a project to acquire expertise in the electrical field, functional to the development of the new, more sustainable mobility, which will be implemented in 2024.

At management level, the main initiatives in 2023 concerned the signing of new trade union agreements, which affected the existing treatment of non-managerial Italiana Petroli S.p.A. personnel, relating to various areas including Health Care, Supplementary Pension, Insurance Policies, Meals and Travel. In addition to the above, reference is made to the renewal of the supplementary agreement concerning the Savona site and, with reference to the Ancona Refinery, the agreement for the reorganization of the shipping department and the agreement concerning tax inspections in the handling department.

In addition, again with reference to Italiana Petroli SpA, additional corporate welfare agreements were signed with respect to those already in force from 2022 for the entire Group, allowing greater access to the opportunities opened up during the year by the new regulations.

The Welfare Plan for employees aims at promoting well-being and quality of life by choosing among the numerous services available on the AON portal. Beneficiaries can make up their own package by selecting one or more of the following benefits: Health Care, School Education (nursery, kindergarten, primary and secondary schools, universities and masters, summer and winter campuses, school textbooks), family assistance, public transport subscriptions, supplementary pension, shopping and holiday vouchers, recreation and sports.

In addition to the above-mentioned opportunities, there is the maintenance of the shuttle service for employees (from the nearby railway station to the Headquarters), an agreement for tax assistance and the availability of the IP Plus fuel card for employees with a dedicated discount to be used at all accepting service stations.



## 2.6.2 TRAINING AND THE CORPORATE ACADEMY

The Academy is the Group's main training and competence dissemination tool. It is located in two physical locations: IP's headquarters in Rome on Via Salaria, where it has a multimedia training room and an auditorium with over 110 seats, and its Falconara Marittima headquarters, a building entirely dedicated to training. The Academy's territorial Hub, located in Falconara Marittima, welcomes partners and external audiences to participate in round tables and seminars every year.

In synergy with the Human Resources Recruitment and Training Function, the Academy has equipped itself with a multi-year strategic plan that identifies four guidelines for activities:

- **Top Down** to share priorities and strategies
- **Bottom Up** to meet the training needs of the operational line
- **Grassroot** to focus on the personal growth of employees
- **Community** to serve the country

In addition to these main training areas, there is a fifth one that responds to COMPLIANCE needs and contains the scheduling of compulsory training on,

for example, Health, Safety, Environment (Seveso Law 105/2015), compulsory updates on privacy, Legislative Decree 231, as amended, updates to Legislative Decree 81, Anti-Corruption and Antitrust.

The activities falling under the first pillar (Top Down) are strongly linked to a forward-looking vision of the business and corporate culture and designed to activate and facilitate change management at Group level. They involve partnerships with top universities and training schools to work on central themes in relation to change: new management models, nurturing and retention of talent and Millennials, Group purpose, identity and values (especially for new hires), sustainability, energy transition and innovation.

This area also includes lectures with authoritative figures and leading experts on specific contextual issues relevant to the Group.

In the COMMUNITY area, the Academy's training activities are oriented outwards, creating specific training for partners and companies, schools and universities. Cooperation with these institutions guarantees the quality of training and ensures the essential exchange of visions and perspectives between the corporate world and the outside world.



In the area of Human Resources development, 2023 saw the start of a project to map skills and potential through Development Centres (DCs), which will be completed in 2024. The segment of the corporate population involved is comparable to the Millennial generation and is composed of holders of specialist or intermediate roles (preferably graduates).

The DCs were designed congruently with the Group's new Leadership Model, formalised at the end of 2022 with the support of the Luiss University consulting structure.

The objectives, underlying the project that led to the new Leadership Model, were:

- to redefine organizational and managerial behavioural expectations linked to the achievement of new business objectives and internal change in the organization.
- to fuel projects to redefine certain key people management and development processes (e.g.: performance management, talent management);
- to support the definition of training courses aimed in particular at the managerial development of the younger generations in the company (Millennials).



In 2023, the Model was therefore at the centre of a change management, training and communication activity that, starting from the results already achieved with Executives in the 2022 training, saw the participation of an initial substantial group (1/3 of the segment of this population) of Management and Middle Managers. The project was aimed at sharing the Model and its specification towards the most operational roles, through a co-design activity, as well as a harnessing of people management and systemic thinking skills.

The project has a multi-year scope and will involve further brackets of Management and Professionals in 2024, always having at its centre the Leadership Model, which will be looked at, depending on the type of population involved in each case, from different but complementary perspectives: people management and professional leadership to team and process work.

Also important were the training workshops on the Business Model Canvas, a strategic Business Design tool that uses visual language to create and develop high-value business models, a very useful tool in innovation processes and in thinking in a systemic way about professional activities and those of one's collaborators.

Training and Development activities, conducted jointly by the Group Academy and HR structures (Human Resources), were developed both with external collaborators (Luiss Business School and qualified consulting companies) and with internal faculty. The latter was used to address specific needs for the resumption of technical trade skills, with the aim of also sharing future projects and fostering the growth of younger people in companies.

Also in this context, mention should be made of the training provided to all Network sales staff, totalling about 90 people, on the shift towards customer centrality and on improving relations, communication, and the processes and working methods that link territory-based roles to central staff. In the training course, the key topics of the network sales assistant were explored in depth by means of a course that was taught by a number of head office colleagues who deal with sales executives on a daily basis.

A series of meetings between Senior Management and the Group's Millennials aimed to foster interest and potential, preparing the ground for the Development Centres of 2024.

Also relevant was the activity carried out during 2023 as part of the "bootcamp" for those hired in the last two years. It was a three-day programme for four groups of employees during which the "trainer" colleagues illustrated the Group's main activities: the oil cycle, fuels of the future, the network, specialties, supply, organization, etc., ending with a visit to the Falconara Refinery facilities. The project involved more than 80 people.

Both the ACR (Network Sales Assistant) Academy and the bootcamp for new recruits were carried out through the valuable contribution of colleagues who acted as teachers.

In December 2023, training activities also involved former Esso Italiana employees, who were enabled to carry out the online training modules and integrated into the scheduled in-person courses.

2023 was also a year of intense training in the area of Safety and Health with the involvement of 944 people for a total of 15,312 hours. In addition to the training required by the regulations in force (Legislative Decree 81), which took place in-person, there was also voluntary training on safe driving. In particular, all territory sales staff were involved in practical and theoretical courses in which they addressed the management of risks arising from roads and driving styles. The compulsory training courses made it possible to reinforce the Group's safety culture and were an opportunity to create a shared culture on these issues with the involvement of people from the various corporate entities.

Among the activities carried out in the Community area, in December 2023, in collaboration with the Polytechnic University of Marche, IP organized a seminar at the Falconara training hub for students from the Sustainability Management Course on sustainability issues and, in particular, on advanced biofuels and the latest renewable and circular solutions. This was useful for an intensive and constructive exchange of ideas with the students on energy, the future and existing solutions to facilitate the development of a more sustainable and lower-emission mobility right from the start.

### 2.6.3 TRAINING DATA

GRI: 404-1; 404-2

A total of 30,453 hours of training were provided. Of these, 28,157 hours were taken up by IP personnel with an average of 24.1 hours per person; 2,241 hours were dedicated to management training and 55 hours to external and academic staff. The IP Academy made its Falconara territorial training hub available to Altec, a company that creates and delivers training modules to local dockworkers. In 2023, this type of training amounted to a total of 1,660 hours.

Online training, delivered in 2023 to IP staff and managers, amounted to a total of 2,636 hours (2,359 hours and 277 hours respectively) and related to a wide range of topics such as: working tools, leadership, relations with the P.A., whistleblowing, sustainability, procedures, etc.

The table shows the distribution of training hours by gender and professional role.

#### Training by classification level 2023

Category	F	M	Overall total
Executives	55	325	380
Office Workers	2,591	9,884	12,475
Manual workers	16	7,582	7,598
Management	1,581	6,123	7,704
<b>Overall total</b>	<b>4,243</b>	<b>23,914</b>	<b>28,157</b>

Training for the ESE population (delivered in December 2023 alone) amounted to a total of 310 hours.

The higher number of hours used by the male population is mainly due to the amount of Environmental, Health and Safety training, preferably used by employees classed as manual workers, all of whom are male.

The table below summarizes training by Group company.

#### Training in group companies 2023

Company	Ore
api Raffineria	11,452
apioil UK	42
BITUMTEC	307
ESE S.r.l.	46
IP Industrial S.p.A.	1,141
italiana petroli S.p.A.	14,645
La Cantina	238
SARPOM	264
Sigea	22
<b>Overall total</b>	<b>28,157</b>





IP is committed to creating a shared culture on ESG (Environmental, Social and Governance) objectives and to updating the best skills, which is why it annually dedicates courses to sustainability issues. In 2023, training took the form of both online and in-person modules, totalling 430 hours. Specific training on the themes and goals of sustainable economic, environmental and social development of the 2030 Agenda has also been planned for the highest corporate positions, President and Managing Director, for 2024. The latter chairs the Group Sustainability Committee, which directs the work and sets the objectives to be pursued on the path to sustainable growth. Consistent with the Values that characterize the attitude of IP People, everyone is given the responsibility of making consistent decisions towards their stakeholders and directing daily activities in compliance with the principles identified in the Group's Sustainability Policy.

The table below summarizes the main areas of training.

#### Thematic area training 2023

Thematic area	Hours
Compliance, anti-corruption and anti-trust	383
HSE	15,312
Managerial	4,743
Job related	7,153
Privacy& 231	125
Security	12
Sustainability	430
<b>Overall Total</b>	<b>28,157</b>

In 2023, 383 training hours were dedicated to compliance and anti-corruption issues, management of relations with the public administration, combating unfair behaviour and offences under Legislative Decree 231. The training was delivered both via the company's Academy training portal and in person. Training on whistleblowing is made available to all IP personnel on a continuous basis. This tool reinforces the company's organizational model for the prevention of crimes and enables them to report to the supervisory body (SB), even anonymously, irregular conduct that is contrary to the code of ethics and illegal behaviour that they become aware of in the course of their work.

Continuing from previous years, the Audit & Security Function, in collaboration with the Selection, Training and Development Function, organized training and information meetings with the com-

mercial areas of the Sales Department and the technical areas operating in the Network Maintenance and Investment Function, involving over 80 resources in 2023. The meetings focused on First Level controls at the Point of Sale (audits on POSs, administrative controls, unloading operations at points of sale) and Security activities (e.g. predatory incidents, fraud on OPT, etc.).

At the same time, in order to also supervise, in the training area, product delivery to the Points of Sale, managed in outsourcing, meetings were organized at the Operational Headquarters of the contracted carriers for Secondary Logistics with the aim of illustrating and sharing the methods for the correct management of activities: execution of loading and unloading operations, responsibilities with evidence of the latest Safety and Security events encountered, for example.

During 2023, the Audit & Security Function staff attended the following training courses:

- Fundamental Principles for the Practice of Internal Auditing "Basic Logical Model of the Auditor Framework";
- Risk Management and the UNI ISO 31000 standard and Fraud Prevention and Management "Fraud Audit";
- "Evolution of measuring equipment and functionality of electronic heads" professional training and "effective management of interpersonal relations" education on behavioral techniques in critical situations.

For the same staff members, the "Sustainability and Internal Audit: understanding developments and practical application" training course has been scheduled to take place in 2024.

**03**

# ***INDICE DEI CONTENUTI***



## GRI CONTENT INDEX

IP submitted a report in accordance with GRI Standards for the period between 1 January 2023 and 31 December 2023.

**GRI 1 used:** GRI 1 - Key principles 2021

**Applicable GRI sector standards:** GRI 11 - Oil and Gas sector 2021

IP reports the information in this index for the period 01.01.2023-31.12.2023 in compliance with the GRI Standards in Accordance with GRI Standard 1 Foundation, published in 2021 by the GRI - Global Reporting Initiative.

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
Overview						
Policy	2-1 Organisational Details	22, 24, 29, 30, 47, 57				
	2-2 Entities included in the reporting of sustainability	22				
	2-3 Reporting Period, Frequency and point of contact	20, 112-113				
	2-4 Review of Information	112-113				
	2-5 External Assurance	112				
	2-6 Activities, value chain and other business relations	24-28, 30, 31, 55-58				
	2-7 Employees	20, 73, 90-92				
	2-8 Non-Employees	20, 73				
	2-9 Structure and Composition of governance	22				
	2-10 Appointment and selection of the highest governing body	22, 23				
	2-11 President of the highest governing body	23				
	2-12 Role of the highest governing body in management control	22,23, 40-41, 42-46				
	2-13 Delegation of responsibility for impact management	40-41				
	2-14 Role of the highest governing body in sustainability reporting	40-41				
	2-15 Conflict of interest	30-31				



GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
	2-16 Communication of Critical Issues	30-31, 35				
	2-17 Collective skills of the highest governing body	23				
	2-18 Performance appraisal of the highest governing body	23				
	2-19 Remuneration policies	-	All requirements	Confidential Information	IP is evaluating coverage in the coming years	
	2-20 Remuneration determination process	-	All requirements	Confidential Information	IP is evaluating coverage in the coming years	
	2-21 Total remuneration report	-	All requirements	Confidential Information	IP is evaluating coverage in the coming years	
	2-22 Sustainable Development Strategy Statement	8				
	2-23 Policy commitment	21, 30-31, 32, 33, 40-41,				
	2-24 Integration of policy commitments	32, 40-41				
	2-25 Processes aimed at remedying negative impacts	32, 33, 36, 40-41, 42-46, 47-54, 55-58, 70-75, 86-87				
	2-26 Mechanisms for requesting clarification and raising concerns	30-31, 33, 35, 67				
	2-27 Compliance with Laws and Regulations	30-31, 32				
	2-28 Membership of Associations	41, 66				
	2-29 Approach to stakeholder engagement	8, 35, 36, 42-46, 47, 54-58, 68				
	2-30 Collective agreements	-				
Material themes						
GRI 3 - Material themes	3-1 Process of determining material themes	42-46				
	3-2 List of material themes	20, 42-46				
Material theme: Climate change						
GRI 3: Material themes	3-3 Management of material themes	47-54, 76, 79				
11.1.1						

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
GRI 302: Energy	302-1: Energy consumption within the organisation	84				11.1.2
	302-2: Energy consumption outside the organisation	84				11.1.3
	302-3: Energy intensity	84				11.1.4
GRI 305: Emissions	305-1: Direct (Scope 1) greenhouse gas (GHG) emissions	76-77				11.1.5
	305-2: Indirect (Scope2) greenhouse gas (GHG) emissions	76				11.1.6
	305-3: Other indirect (Scope3) greenhouse gas (GHG) emissions	77				11.1.7
	305-4: Intensity of greenhouse gas (GHG) emissions	76				11.1.8
	305-5 Reducing GHG emissions	80-83				11.2.3
GRI 201: Economic performance	201-2 Financial implications and other risks and opportunities due to climate change	78-79	All requirements	Unavailable or partial information	IP is evaluating coverage in the coming years	11.2.2
Material theme: Transition						
GRI 3: Material themes	3-3 Management of material themes	42-46				-
Material theme: Management of closed points of sale						
GRI 3: Material themes	3-3 Management of material themes	42-46				-
GRI 306: Water Discharges and Wastewater (2016)	306-3 Significant spills	74				11.8.2
Material theme: Protection of biodiversity						
GRI 3: Material themes	3-3 Management of material themes	87				11.4.1
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in (or adjacent to) protected areas and areas of high value in terms of biodiversity outside protected areas	87-89				11.4.2
	304-2 Significant impacts of activities, products and services on biodiversity	87-89				11.4.3

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
	304-3 Protected or restored habitats	87-89				11.4.4
	304-4 Species listed on the IUCN Red List and national lists that find their habitat in the organisation's areas of operation	87-89				11.4.5
Material theme: Waste Management (2020 Indicator Version)						
GRI 3: Material themes	3-3 Management of material themes	85-86				11.5.1
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	85				11.5.2
	306-2 Management of significant waste-related impacts	85				11.5.3
	306-3 Waste generated	85				11.5.4
	306-4 Waste not intended for disposal	85				11.5.5
	306-5 Waste intended for disposal	85				11.5.6
Management of Water Resources						
GRI 3: Material themes	3-3 Management of material themes	86				11.6.1
GRI 303: Water and waste water	303-1 Interaction with water as a shared resource	86				11.6.2
	303-2 Management of impacts related to water discharge	86				11.6.3
	303-3 Water withdrawal	86				11.6.4
	303-4 Water discharge	86				11.6.5
	303-5 Water consumption	86				11.6.6
Material theme: the Protection of People at work						
GRI 3: Material themes	Management of material themes	70				11.9.1
GRI 403: Health and Safety at Work (2018)	403-1 Occupational Health and Safety Management System	70-75				11.9.2
	403-2 Risk identification, risk assessment and accident investigation	73				11.9.3

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
	403-3 Occupational health services	73				11.9.4
	403-4 Participation, consultation and communication with workers on occupational health and safety	73				11.9.5
	403-5 Training of workers in occupational health and safety	70-75				11.9.6
	403-6 Promoting the health of workers	70-75				11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly related to business relationships	70-75				11.9.8
	403-8 Workers covered by an occupational health and safety management system	70-71				11.9.9
	403-9 Accidents at work	73				11.9.10
	403-10 Work-related illnesses	73				11.9.11
GRI 416: Customer Health and Safety	416-1 Assessment of health and safety impacts by product and service category	75				11.2.3
Material theme: Fair, high-quality and skill-rich work						
GRI 3: Material themes	3-3 Management of material themes	90, 94-97				11.10.1
GRI 401: Occupazione	401-1 Recruitment of new employees and v of employees	93				11.10.2
	401-2 Benefits provided to full-time employees and not provided to temporary or part-time employees	94				11.10.3
	401-3 Parental leave	92				11.10.4
GRI 402: Labour Management and Labour Relations	402-1 Minimum notice periods regarding operational changes	In cases of transfer, the provisions of the relevant National Collective Bargaining Agreement apply				11.10.5
GRI 404: Training and education	404-1 Average hours of training per employee per year	98				11.10.6



GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
	404-2 Employee skills development and transition assistance programmes	95-97				11.10.7
GRI 202: Market presence	202-2 Percentage of senior management hired from the local community	92				11.11.1
GRI 405: Diversity and equal opportunities	405-1 Diversity of governing body and employees	90				11.11.5
	405-2 Ratio of base salary and wages of women to men	23, 93				11.11.6
GRI 406: Non discrimination	406-1 Cases of discrimination and corrective measures	32				11.11.7
Material theme: Creating value for regions and in the supply chain						
GRI 3: Material themes	3-3 Management of material themes	55-60				11.10.1
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	55-56				11.14.2
GRI 202: Market presence	202-2 Percentage of senior management hired from the local community	92				11.14.3
GRI 203: Indirect economic impacts	203-1 Investment in infrastructure and supported services	55-56				11.14.4
	203-2 Significant indirect economic impacts	20	All requirements	Unavailable or partial information	IP is evaluating coverage in the coming years	11.14.5
GRI 204: Procurement Procedures	204-1 Percentage of spending with local suppliers	57-58				11.14.6
GRI 308: Environmental assessment of suppliers	308-1 New suppliers assessed using environmental criteria	57-58				-
GRI 414: Social evaluation of suppliers	414-1 New suppliers selected on the basis of social criteria	57-58				11.10.8
	414-2 Negative social impacts in the supply chain and measures taken	57-58				11.10.9

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
GRI 407: Freedom of association and collective bargaining	407-1 Activities and suppliers for which the right to free association and collective bargaining may be at risk	57-58				11.13.2
GRI 409: Forced or compulsory labor	409-1 Activities and suppliers at significant risk of incidents of forced or compulsory labour	57-58				11.12.2
GRI 413: Local communities 2016	413-1 Local community involvement activities, impact assessments and development programmes	60-66				11.15.2
	413-2 Operations with significant negative impacts (actual and potential) on local communities	60				11.15.4
GRI 305: Emissions	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant emissions	77				11.3.2
Additional sector information	Report the number and type of local community complaints identified, including: percentage of complaints handled and resolved; percentage of complaints resolved through remedial procedures.	60				11.15.4
Material theme: Integrated Governance, Anti-Corruption and Privacy						
GRI 3: Material themes	3-3 Management of material themes	30-31, 33, 35				11.19.1
GRI 206: Anti competitive behavior	206-1 Legal actions relating to anti-competitive behaviour, antitrust and monopolistic practices	30-31, 35				11.19.2
GRI 3: Material themes	3-3 Management of material themes	30-31, 33				11.20.1
GRI 205: Anti corruption	205-1 Activities assessed for corruption risks	30-31, 33				11.20.2
	205-2 Communication and training on anti-corruption policies and procedures	30-31, 33-34				11.20.3
	205-3 Confirmed cases and measures taken	33				11.20.4
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	55-56				11.21.2
	201-4 Financial assistance received from the government	55, 83				11.21.3

GRI Standard / other source	GRI Disclosure	Location	Omission			GRI Industry Standard Reference Number
			Requirement	Reason	Explanation	
GRI 207: Taxes	207-1 Approach to taxes	55-56				11.21.4
	207-2 Fiscal governance, control and risk management	55-56		Non applicability	In the reporting year, IP does not have a formalised fiscal strategy	11.21.5
	207-3 Stakeholder engagement and management of tax concerns	55-56		Non applicability	Stakeholder participation in tax matters is not considered relevant since IP is not a listed company.	11.21.6
	207- 4 Country-by-Country Reporting	-		Non applicability	IP did not carry out any relevant activities outside Italian territory during the reporting period.	11.21.7

#### Disclosure proposed by GRI Sector Standard deemed non-applicable

Reference to GRI Sector Standard	Potentially Material Theme	Explanation
11.7	Closure and recovery	IP did not manage any operational sites and/or disused or decommissioned facilities during the reporting period.
11.16	Rights over land and resources	IP operates exclusively on Italian territory, respecting local communities and their resources. Therefore, the conduct of business is carried out without the use of involuntary resettlement or practices that may violate human rights.
11.17	Rights of indigenous population	Operating on Italian soil, IP has no evidence of violations of the rights of indigenous populations.
11.18	Conflict and security	IP did not operate in areas of conflict in the reporting year.
11.22	Public Policy	IP did not make any political contributions in the reporting year.

# 04

# ***METHODOLOGICAL NOTE***

GRI: 2-3; 2-4; 2-5, 3-3







The annual publication of this document is a voluntary choice by IP, which has decided to embark on a path of evolution and change based on sustainability issues. For the preparation of this Sustainability Report, the Group adopts the GRI Sustainability Reporting Standards (GRI Standards), published in 2021 by the GRI - Global Reporting Initiative. In particular, in accordance with GRI Standard 1 Foundation, paragraph 3, the organization reports on the material themes related to the most significant impacts on economic, environmental and social aspects, providing a picture of its context in accordance with GRI standards with level of compliance. These indicators are clearly identified both within the text with the appropriate reference number and in the table of contents with an indication of the relevant page on which the information is developed. In addition, given the reference context, the Group considered certain indications of national legislation (Legislative Decree No. 254/2016). One of the sources used for material analysis to identify material themes and link them to impacts is the GRI Oil & Gas Industry Standard 11.

The purpose of the document is to describe, with regard to economic, social and environmental aspects, the activities carried out by the Group, the objectives set, the performance achieved and any related risks. The appendix compares the indicators and data for the previous two reporting periods (on which there were no changes) to provide evidence of trends on the same reporting boundary.

This Sustainability Report is subject to a limited audit by the independent firm EY. The audit report, describing the details of the principles and activities carried out, is shown in the Appendix. Quantitative indicators that do not relate to any general or topic-specific disclosures of the GRI Standards, which are reported on the pages indicated in the Content Index, are not subject to limited review by EY S.p.A. The Group Sustainability Report is available at <https://ip.gruppo-api.com/en/the-group/sustainability/sustainability-report/>.

The reporting scope is that of Italiana Petroli S.p.A. and its consolidated companies for the year 2023. All data, initiatives and projects refer to the period between 01/01/2023 and 31/12/2023 and refer to the companies 100% controlled and fully consolidated within the Group Consolidated Financial Statements, from which the economic data reported in this report originate. With reference to environmental and social data, the information does not concern the ESE company. Where present, they are clearly indicated.

The number of People also includes the ESE perimeter. The processing capacity, shown in sub-sections 1.2 and 1.5, includes the share pertaining to the SAR-POM refinery.

Storage capacity refers to owned storage sites and those in which Italiana Petroli or ESE is a shareholder or has an open deposit account.

In the graphical representation of the territorial presence chapter on page 24, not all sites subject to deposit accounts, e.g. of the B2C channel, are included.

The number of Points of Sale (PoS) is to be considered inclusive of facilities temporarily suspended from sales as at 31.12.2023 and therefore excludes the following types of facilities: Network Contracts, Depot Account Headquarters and Non-network Marina. The average disbursement is calculated for POSs open or temporarily closed to sales (suspended) with at least one discharge in all 12 months of 2023. The number of daily supplies is given by the number of annual supplies divided by 365 days. The number of annual refuelling is obtained from the following calculation: number of transactions on the volumes delivered (sell out) re-proportioned on the total volumes invoiced (sell in). The reference period is January - December 2023.

The estimate of the IP Network's supply chain is calculated by proportionally comparing the number of 4,626 existing Points of Sale to the 21,700 national distributors (figure determined by elaborations from Unem, Unione Energie per la Mobilità, in the document "Data Book 2024") and to the number of 106 workers employed in the sector equal to 80,000 (declared to the X Productive Activities Commission of the Chamber of Deputies on 1 October 2019).

The conversion factor used in the calculation of energy consumption is 1 TEP (10 million kcal) = 41.87 Gjoule.

The formulas used to calculate the accident indexes are:

- Frequency index = number of accidents \* 1,000,000 / hours worked.
- Severity index = number of days of absence (excluding day of occurrence) \* 1,000 / hours worked.

The NFP (net financial position) as of 31 December 2023, consistent with the consolidated financial statements, does not include the effect of IFRS 16 in the amount of EUR 148.224 million. The VAT balance figure shown in the section on economic indicators relates to the api holding company (where the tax con-



solidation is carried out), thus with a slightly broader scope than that used throughout the report.

The emission factors used are taken from the UNFCCC (United Nations Framework Convention on Climate Change) national inventory, updated in February 2019. The conversion factors used for the energy part are those published by the Italian Federation for the Rational Use of Energy (FIRE). For the calculation of indirect emissions from electricity consumption, the following emission factors were applied: Terna 2019 for the Location-Based method and AIB Residual Mix 2021 for the Market-Based method.

The estimate, in absolute value, of the CO<sub>2</sub> emissions avoided due to the use of OPTIMO on the fuel distribution network channel starts from the elaboration of the analyses carried out by CNR-STEMS, from certain data (final sales figures and market shares) in IP's possession and from data made available by third and independent parties. Starting from the unitary information expressed in terms of gCO<sub>2</sub>/km in terms of emission reduction, the fleet of vehicles belonging to the IP network was estimated, based on its market share. The fleet in circulation was characterized in terms of fuel (petrol and diesel) and intended use (private or commercial) based on the catchment area of the Group's business oil cards. Based on the elements described above, by identifying the average mileage of vehicles by power supply and by intended use, the mileage attributable to the IP Network was estimated. Finally, the total avoided emissions were calculated based on the typical distribution of the WLTC (World Harmonised Light Vehicle Test Cycle) driving cycles.

LA CANTINA S.r.l., a subsidiary of IP services, is not listed in the certification tables but achieved Equalitas Sustainability Certification for the wine sector in October 2023.

The Ratio of basic salary and remuneration of women to men by Group qualification only includes the companies Italiana Petroli S.p.A., IP industrial and api Raffineria di Ancona. The ratio is not represented for manual workers since the presence in that category is entirely male.

# **05**

# ***APPENDICE***





Indicator	Description	Unit	2021	2022	2023
<b>2-7</b>	<b>Information on employees and other workers</b>				
	Total employees	N.	1,103	1,069	1,629
	of which women	N.	247	234	327
<b>201-1</b>	<b>Economic value directly generated and distributed</b>				
	Economic Value Generated	M€	4,560	9,187	9,957
	Economic Value Distributed	M€	4,301	8,822	9,400
	Economic Value Retained	M€	259	365	557
<b>302-1</b>	<b>Energy consumed within the organisation</b>				
	Total energy consumed	Tjoule	9,384	10,193	10,008
<b>303-3</b>	<b>Water withdrawal</b>				
	Total withdrawal	Mm <sup>3</sup>	6.8	6.9	6.9
<b>305-1</b>	<b>CO<sub>2</sub> Emissions</b>				
	CO <sub>2</sub>	ton	544,148	525,903	520,651
<b>305-7</b>	<b>Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>2</sub>) and other significant emissions</b>				
	SO <sub>2</sub>	ton	218	258.2	263.4
	NO <sub>x</sub>	ton	294	359.7	317.7
	VOC	ton	151	154	145.3
<b>306-3</b>	<b>Waste by type and disposal method</b>				
	Total waste	ton	5,558	6,828	8,659
	waste sent for recovery	ton	2,494	3,594	2,962
<b>403-9</b>	<b>Accidents at work</b>				
	employees hours worked	h.	1,632,896	1,552,916	1,607,049
	number of employee accidents	N.	2	3	6
	number of accidents per million employee hours worked	N.	1.22	1.93	3.73
	hours worked by third-party companies in industrial areas	h.	660,281	680,349	942,334
	number of third-party accidents in industrial areas	N.	3	2	3
	number of accidents per million hours worked by third-party companies in industrial areas	N.	4.54	2.94	3.18
<b>404-1</b>	<b>Average hours of training per employee per year</b>				
	total training hours	h.	21,942	17,649	28,157
	average training hours	h.	19.9	18.1	24.1

**06**

# ***CERTIFICATION***



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## Relazione della società di revisione indipendente sul “Rapporto di Sostenibilità 2023”

Al Consiglio di Amministrazione della  
italiana petroli S.p.A.

Siamo stati incaricati di effettuare un esame limitato (“limited assurance engagement”) del Rapporto di Sostenibilità 2023 della italiana petroli S.p.A. e delle sue controllate (di seguito anche il “Gruppo”) relativo all’esercizio chiuso al 31 dicembre 2023 (di seguito anche “Rapporto di Sostenibilità”).

### Responsabilità degli Amministratori per il Rapporto di Sostenibilità

Gli Amministratori della italiana petroli S.p.A. sono responsabili per la redazione del Rapporto di Sostenibilità in conformità ai “Global Reporting Initiative Sustainability Reporting Standards” definiti dal GRI - Global Reporting Initiative (“GRI Standards”), con riferimento alla selezione di GRI Standards indicati nella sezione “Nota metodologica” del Rapporto di Sostenibilità.

Gli Amministratori sono altresì responsabili per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di un Rapporto di Sostenibilità che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono inoltre responsabili per la definizione degli obiettivi del Gruppo in relazione alla performance di sostenibilità, nonché per l’identificazione degli stakeholder e degli aspetti significativi da rendicontare.

### Indipendenza della società di revisione e controllo della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza dell’International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall’International Ethics Standards Board for Accountants, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale.

La nostra società di revisione applica l’International Standard on Quality Control 1 (ISQC Italia 1) e, di conseguenza, mantiene un sistema di controllo qualità che include direttive e procedure documentate sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e dei regolamenti applicabili.

### Responsabilità della società di revisione

È nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità del Rapporto di Sostenibilità rispetto a quanto richiesto dai GRI Standards, con riferimento alla selezione di GRI Standards indicati nella sezione “Nota metodologica” del Rapporto di Sostenibilità. Il nostro lavoro è stato svolto secondo i criteri indicati nel principio “International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (di seguito anche “ISAE 3000 Revised”), emanato dall’International Auditing and Assurance Standards Board (IAASB) per gli incarichi di limited assurance. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che il Rapporto di Sostenibilità non contenga errori significativi. Pertanto, il nostro esame ha



comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'ISAE 3000 Revised ("reasonable assurance engagement") e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sul Rapporto di Sostenibilità si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Società responsabile per la predisposizione delle informazioni presentate nel Rapporto di Sostenibilità, nonché analisi di documenti, ricalcoli ed altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

1. analisi del processo di definizione dei temi rilevanti rendicontati nel Rapporto di Sostenibilità, con riferimento alle modalità di analisi e comprensione del contesto di riferimento, identificazione, valutazione e prioritizzazione degli impatti effettivi e potenziali e alla validazione interna delle risultanze del processo;
2. comparazione tra i dati e le informazioni di carattere economico-finanziario riportati nel paragrafo "2.4.2 Il valore economico generato e distribuito" del Rapporto di Sostenibilità e i dati e le informazioni incluse nel bilancio consolidato del Gruppo;
3. comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nel Rapporto di Sostenibilità.

In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione di italiana petroli S.p.A. e con il personale di api Raffineria di Ancona S.p.A. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione del Rapporto di Sostenibilità.

Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a livello di Gruppo
  - a) con riferimento alle informazioni qualitative contenute nel Rapporto di Sostenibilità abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
  - b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati.
- per la raffineria di Falconara della società api Raffineria di Ancona S.p.A., che abbiamo selezionato sulla base delle sue attività, del suo contributo agli indicatori di prestazione a livello consolidato e della sua ubicazione, abbiamo effettuato incontri in loco, nel corso dei quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

## Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Rapporto di Sostenibilità del Gruppo italiana petroli relativo all'esercizio chiuso al 31 dicembre 2023 non sia stato redatto, in tutti gli aspetti significativi, in conformità a quanto richiesto dai GRI Standards, con riferimento alla selezione di GRI Standards indicati nella sezione "Nota metodologica" del Rapporto di Sostenibilità.





### Altri aspetti

I dati comparativi presentati nel Rapporto di Sostenibilità, in relazione agli esercizi chiusi il 31 dicembre 2022 e 31 dicembre 2021, non sono stati sottoposti a verifica.

Roma, 12 aprile 2024

EY S.p.A.

A handwritten signature in blue ink, appearing to read 'Simone Rapone', is written over a circular blue stamp.

Simone Rapone  
(Revisore Legale)

# **07**

## ***GLOSSARY***



**AGENDA 2030:** The 2030 Agenda for Sustainable Development is an action programme for people, the planet and prosperity, signed in September 2015 by the governments of the 193 UN member states.

**ARPA:** Agenzia Regionale per la Protezione Ambientale.

**BtoB e BtoC:** Business to Business and Business to Consumer, i.e. transactions between 2 companies and those between companies and end consumers.

**BUNKER:** any fuel oil used for the locomotion of ships.

**COV:** the class of volatile organic compounds includes several chemical compounds. Specifically, these are compounds based on carbon chemistry (organic chemistry) that have a marked tendency to change stage and move from the liquid phase to the gaseous phase (i.e. volatility).

**DATA BREACH:** violation of personal data.

**EBITDA:** earnings before interest, taxes, depreciation and amortization. Corporate gross operating profit indicator.

**EFrag:** European Financial Reporting Advisory Group is the technical body which deals with accounting standards at the international level and is responsible for the development of the European Sustainability Reporting Standards (ESRS).

**FIREWALL:** computer network security component used to filter traffic to and from the outside.

**FSC:** Forest Stewardship Council, sets the rules for responsible forest management.

**LNG:** Liquefied Natural Gas, mainly methane, in order to facilitate its transport and storage.

**GPS:** Global Positioning System for satellite positioning and navigation.

**GRI:** Global Reporting Initiative is a not-for-profit body established with the aim of creating useful support for sustainable performance reporting for organizations of all sizes, from all sectors and countries around the world.

**HSE:** Health, Safety & Environment.

**IAS/IFRS:** International Accounting Standards and International Financial Reporting Standards are economic and financial reporting standards.

**IGCC:** Integrated Gasification Combined Cycle.





**IGROSCÒPICO:** a substance which, when exposed to air, is capable of absorbing its moisture, i.e. the water in its vapor state, either because it enters with it in a chemical combination (e.g. calcium oxide, magnesium chloride, sulphuric acid) or by simple adsorption (e.g. silica gel, certain animal and plant tissues).

**ISO 9001:** identifies a set of standards and guidelines developed by the International Organization for Standardisation (ISO - International Organization for Standardisation) that define the requirements for the implementation within an organization of a quality management system, to conduct business processes.

**ISO 14001:** identifies a set of standards and guidelines developed by the International Organization for Standardisation (ISO - International Organization for Standardisation) which define the requirements for the implementation within an organization of an environmental management system.

**ISO 45001:** defines the requirements an Occupational Safety and Health (OSH) Management System in accordance with current regulations and based on the hazards and risks potentially present in the workplace.

**OPT:** Outdoor Payment Terminal, commonly known as "self-service".

**PLATT'S:** provider of energy and commodity information and a source of reference price assessments in the physical energy markets.

**POS:** Point of sale, i.e. a payment terminal.

**PROXY:** serves to create a "barrier of defence" towards the web, acting as a filter for incoming and outgoing connections and monitoring, controlling and modifying internal traffic.

**PNRR:** The National Recovery and Resilience Plan (NRRP or PNRR). It provides for an investment and reform package, divided into six missions. The Plan promotes an ambitious agenda of reforms, the four main ones being public administration, justice, simplification and competitiveness. To finance further interventions, the Italian government approved a Complementary National Plan (PNC).

**RCF:** Recycled Carbon Fuels, i.e. fuels deriving from recycled carbon. These are liquid and gaseous fuels produced from liquid or solid waste streams of non-renewable origin.

**SDG's:** These are the 17 Sustainable Development Goals (SDGs) in a major action programme with a total of 169 targets or milestones forming the 2030 Agenda.

**TAF e TAS:** Groundwater Treatment and Surface Water Treatment.



# 08

## ***CONTACTS***



GRUPPO **an**

## CONTACTS

GRI: 2-3

The Report was prepared by the External Relations, Sustainability and Academy Functions.

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We would like to thank all the colleagues in the working group who contributed to this document.

Closing date: March 2024.

**italiana petroli S.p.A.**

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