

Servizio Idrico Integrato S.c.p.A.

COMPANY CERTIFICATIONS		
SAFETY	QUALITY	ENVIRONMENTAL
UNI ISO 45001:2018	UNI EN ISO 9001:2015	UNI EN ISO 14001

ENERGY SAVING INITIATIVES	
Energy Management System ISO 50001	N/A
Energy consumption reduction initiatives	<p>A co-generation plant will be built at the Terni purification site¹ to reuse biogas for the generation of electrical and thermal energy. Electric and thermal energy will be generated by exploiting biogas, the by-product of the anaerobic digestion of sludge processing.</p> <p>The sludge will then be further reduced in volume and weight through suitable drying processes in which the heat generated in co-generation from the biogas is used, with promising economic and environmental benefits.</p>
Renewable Energy Sources	<p>S.I.I. S.c.p.A. has launched a policy for the development and implementation of electricity generation systems from renewable sources. It has focused mainly on energy from biogas and the installation of photovoltaic systems, preferring them over other solutions since:</p> <p>Biogas plants allow the generation, through a suitably sized co-generation system, of electrical and thermal energy for use in sewage treatment plants, using a sludge processing by-product, which is strategically useful and economically favourable also in terms of reducing the volumes of sludge generated. The sludge can be further reduced in volume and weight through suitable drying processes in which the heat generated in co-generation from the biogas is used (an approach currently being pursued at the Terni 1 sewage treatment plant, with promising economic and environmental benefits);</p> <p>Photovoltaic systems also have a series of advantages. Some of them are listed here for information purposes:</p> <ul style="list-style-type: none"> – ease of implementation of the systems; – performance and reliability of the systems are now well established and continuously evolving; – ease of maintenance over time. <p>An implementation policy has therefore been</p>

	<p>initiated, which is based on:</p> <ul style="list-style-type: none"> • Installation of a biogas co-generation plant at SII's largest sewage treatment plant (Via Vanzetti sewage treatment plant); • Installation of photovoltaic systems in defined areas; • Assessment of photovoltaic micro-systems installed on the roofs of buildings used for water service, reservoir roofs, etc; • Feasibility study and creation of photovoltaic systems, prototypes, at sewer lifts.
<p>Water consumption reduction initiatives</p>	<p>At the leading purification plants operated, the purified water discharged from the plant (which has already undergone UV disinfection treatment) is used again in certain stages of the purification process, such as in the sedimentation tanks for reducing supernatants, thus reducing the need to use mains water.</p>

<p>ENVIRONMENTAL SUSTAINABILITY AND GREENHOUSE GAS REDUCTION INITIATIVES</p>	
<p>Global sustainable development goals</p>	
<p>Global goal formalisation</p>	<p>By supervising and controlling the activities of its members and directly managing the activities described above, S.I.I.'s mission is to:</p> <ul style="list-style-type: none"> • satisfy customers and exceed their expectations; • offer services with high added value; • prudently use water resources as a renewable but not endless common resource, while respecting the environment and the natural habitat; • supply an integrated water service based on the principle of solidarity; • use renewable energy sources to help save energy and reduce pollution; • preserve an effective and responsible management of economics. <p>In this sense, S.I.I. pursues access, quality and continuity of service throughout the territory it serves, including in the event of emergencies, adapting to the new needs of water infrastructures, while also ensuring the protection of water resources and the environment in order to promote sustainable consumption and use of the resource, striving to create shared value for all its stakeholders. Through discussions with these stakeholders and according to the sector it belongs to, the type of company, the essential public service performed and the area of business, S.I.I. has identified eight most significant material issues:</p>

	<ol style="list-style-type: none"> 1. Management of risks, compliance and governance (understood as the organisational structure and risk management system designed to verify compliance with regulations and the analysis, measurement, management and mitigation of risks from the external environment and business activities and the impacts the latter generates on the external environment); 2. Income capacity and capital strength (as a condition for ensuring infrastructure allocations and investments and service continuity and quality); 3. Water resource quality (expressed in qualitative standards of the composition and safe use of the resource and the reliability and control of the collection, treatment, transport and distribution processes of the resource); 4. Environmental protection (achieved through the design and implementation of all actions aimed at reducing the impact of all integrated water cycle processes on the external environment); 5. Development of circular economy processes (by designing and implementing processes to minimise and recycle by-products from the treatment and purification of water resources to favour the generation of materials and resources that can be used again in other production processes, as well as eliminating their impact on the environment); 6. Human resources management and development (implemented through the design and implementation of initiatives aimed at enhancing skills and improving social life in the company and the work-life balance); 7. Occupational health and safety (understood as the implementation and monitoring of systems to protect the occupational health of employees through the provision of prevention and protection equipment and instruments, the safety of the environments and means used and the control of materials handled, safeguard procedures and protocols and crisis management); 8. Customer satisfaction (setting up, implementing and continuously improving activities and measures aimed, in addition to the quality of the water resource supplied, at facilitating the relationship and bringing the Company closer to its customers by providing methods and tools that simplify all contact opportunities and make this relationship as transparent and reliable as possible for the users.
<p>Environmental policy document</p>	<p>Since 2020, S.I.I. has been drafting a Sustainability Report, a form of reporting aimed at</p>

	<p>supplementing the financial reporting required by the annual financial statements with information on the initiatives and performance that the company has designed, implemented and planned for the following years in the environmental, social and governance spheres of action. As of 2020, SII plans to develop a path towards sustainability that is gradual but follows guidelines that were first outlined and that can represent long-term goals. Thus, the thematic areas and consequent actions, first identified and then implemented, will gradually become part of a sustainability planning process. This approach will increasingly link strategic planning, investments, the company's risk management system on the one hand and sustainability measures on the other, ensuring that the latter have a greater impact, but also an organic and long-term design and framework. The ultimate goal is to achieve sustainability planning as a pillar of corporate strategy.</p>
<p>Changes determined by sustainability strategies:</p>	<ul style="list-style-type: none"> - In the business model: user service provided with a greater focus on environmental issues - In company processes: increased energy efficiency projects

Purchases and supplies	
<p>Primary raw materials used and their origin</p>	<p>The Integrated Water Service manages the entire water cycle starting from its extraction from the ground up to its return to the surface water system; this water comes from springs and wells in the territory of the Province of Terni.</p>
<p>Environmental criteria in supplier selection</p>	<p>N/A</p>
<p>Promotion of action to get suppliers involved on environmental themes</p>	<p>Supply contracts contain specific clauses on compliance with environmental standards and clauses on occupational health and safety.</p>
<p>Adoption of raw material reduction initiatives</p>	<p>Since water is considered to be SII's raw material, projects are underway to reduce network losses and thus reduce the extraction of water from the aquifers.</p>
<p>Sustainable purchase policy for travel</p>	<p>SII has implemented a policy of reshaping the way work is organised, favouring, where possible, the use of video conferences rather than face-to-face meetings, thus reducing internal and external staff travel.</p>
<p>Sustainable purchase policy for consumables</p>	<p>Committed to the digital transformation and environmental sustainability plan, after a study on the consumption and use of copiers, SII S.c.p.A. decided to reduce the number of copiers from 25 printers to 8, with a reduction in consumption of approximately 4,300 kWh/year. Further measures are being developed in the digital transformation</p>

	field that may result in energy efficiency benefits.
Sustainable purchase policy for food and drink	The company only purchases water in glass bottles.

Production	
Green services/products	N/A
Product innovations designed to replace dangerous chemical substances	N/A
Adoption of production process environmental certification trajectories	As part of the QAS integrated management system, a water “product” life cycle analysis was carried out in accordance with the relevant regulations.
Presence of a document communicating atmospheric emissions	The company has a document for reporting atmospheric emissions to the relevant bodies.
Participation in environmental innovation research projects	N/A

Waste Management	
Recycling and appropriate waste management improvement initiatives.	In 2022, SII generated 7421.4 tonnes of waste, of which 1.41% was disposed of, while the remaining 98.59% was recycled. There are waste bins for separate waste collection on the company premises.
Waste processing and waste reduction initiatives	A regional/provincial platform for sewage sludge reduction is planned.
Environmental impact improvement targets	Investments are planned in the annual procurement plan for environmental improvements, starting with energy efficiency.

Innovation and research	
Investment in innovation and research	N/A
Direct atmospheric emissions reduction initiatives	The company adopts initiatives to reduce atmospheric emissions in its main purification plants in accordance with current legislation and industry BAT.

Staff training	
Staff awareness raising and training designed to reduce environmental impact	Training of internal staff and Operating Partners according to the Energy Efficiency Plan will be started in the future.

Client relations	
Marketing policies designed to highlight product sustainability.	A Sustainability Report has been published annually since 2021 and made available on the company's website.

Relations with local government and the community
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<p>Working together with the local council on community sustainability projects and initiatives</p>	<p>The company collaborates with administrations through public awareness projects in schools throughout the Province of Terni for the sustainable use of water resources. Acqua Amica (Friendly Water) was the project designed by SII in 2022 and targeted at primary and secondary schools in the Province of Terni, with the aim of disseminating, with the valuable patronage of the Region of Umbria, the Province of Terni, Auri and the municipalities served by SII, information on sustainable water use and water saving, which begins with the education and involvement of the new generations.</p> <p>Acqua Amica 2022 counted on the involvement of about 1,500 students belonging to 95 primary and secondary classes from 17 institutes located in the 32 municipalities served by Servizio Idrico Integrato. The project involved the organisation of two competitions, one for primary schools, "Draw the Water" and one for secondary schools, "Tell the Water". The primary pupils were asked to draw the SII mascot. The secondary students had to compete in writing a story with water as the theme. The works were judged by two separate juries. The prizes were awarded at the final event held on 27 May 2022 at the Fausto Amphitheatre in Terni. Testimonial for the event was the famous author Giulio Rapetti, also known as Mogol. The approach used in implementing initiatives in the territory, aimed at promoting and strengthening the Company's role in the pursuit of sustainability policies, is mainly based on listening to stakeholders, first and foremost the institutions, and on collaboration and attention to social aspects.</p> <p>As a result, S.I.I. has become a direct promoter of events or, alternatively, has been able to collaborate with local institutions to support numerous initiatives, including those of a historical or innovative nature. Considering S.I.I.'s desire to be increasingly closer to the community, various initiatives in the social sphere have also been undertaken. For several years now, S.I.I. has been organising, in cooperation with local institutions and associations, school projects targeting the new generations in the territory, primary and secondary school students, designed to raise awareness of sustainability, respect for the environment and the protection of water as a vital source, such as "Acqua è Vita" (three editions, from 2019 to 2021) and "Acqua Amica", inaugurated last year, which will continue in 2023 and in the coming years.</p>
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	<p>Since 2021, it has supported the Associazione Italiana Genitori (Italian Parents Association) in organising a summer centre for children between 5 and 11 years old, in which experiential activities are carried out to raise children's awareness of environmental sustainability and to learn more about the properties and characteristics of water as an invaluable resource for the planet. In 2022, it organised an educational visit to the Sorgente della Lupa spring for children supported by the Italian Parents Association.</p> <p>S.I.I. has participated, by providing an “art bonus” contribution of 100,000 euro to the municipal administration, for the renovation of the fountain in Piazza Tacito in Terni, thus making a significant contribution to returning one of the most representative monuments of the entire territory to its citizens. Over the years, the S.I.I. has also financially supported many other initiatives or events of a social, cultural and sporting nature, organised by local institutions or associations (e.g. the Estate Arronese, Le Rocche raccontano in Ferentillo, the publication of “La memoria dell'acqua - L'acquedotto Formina della Narnia romana”, the lighting and fittings installed by the Terni municipal administration during the Christmas and/or Valentines festivities, etc.).</p>
<p>Participation in competitive tenders requiring environmental criteria</p>	<p>N/A</p>
<p>Access to public incentives for green process/product development</p>	<p>N/A</p>
<p>Membership of business associations and networks</p>	<p>UTILITALIA</p>
<p>Direct joint working with business networks and associations</p>	<p>N/A</p>
<p>Initiatives and activities in schools</p>	<p>The company promotes dialogue activities with students in the final years of high school through meetings of staff suitably trained in sustainability issues at local schools. The projects also include visits to the facilities and infrastructures under its management for the classes involved.</p>