

# SUSTAINABILITY REPORT

2022





## LETTER TO THE STAKEHOLDER

Dear readers,

introducing all of you to the reading of OLT's Sustainability Report 2022, we cannot refrain from some reflections arising from what has happened and is perpetuating in the world scenario, which is strongly conditioned by the energy issue.

Since last year, energy security has continued to polarize the global geopolitical scenario. Gas supply, especially in Europe and particularly in our country, has assumed the character of absolute emergency. In such a scenario, regasification facilities, such as the FSRU Terminal, play a key strategic role in ensuring a nation's energy stability.

In nearly 10 years of operation, we have ensured stable and secure supplies, by receiving LNG cargoes from major exporting countries.

In 2022, continuing a trend started even before the war conflict in Ukraine, we worked at 100% of our capacity.

It is precisely the country's growing need to implement and diversify gas supply sources that has prompted us to increase the Terminal's annual regasification capacity from 3.75 billion Sm<sup>3</sup> up to 5 billion Sm<sup>3</sup>. The authorization will allow us to design new growth paths for the Terminal.

As usual, within the Sustainability Report, we report our performance in environmental, social and economic terms. Thanks to the continuous monitoring of activities and the constant focus on improving the technologies used and our services, the results obtained allow us to be considered a "best practice" to follow, nationally and beyond.

Growing operations does not derogate from the sustainability commitments we have made and our commitment to the Community that hosts us; on the contrary, we continue to pursue, in agreement with the territory, a program of actions that can have a concrete utility for the benefit of our stakeholders.

**Giovanni Giorgi**  
*Managing Director OLT*

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# HIGHLIGHTS 2022

## Governance



**13** audits on OLT

**12** audits on Outsourcing

**No breach** of laws or regulations

**No episode of corruption and no legal action**  
for anti-competition or antitrust conduct and monopolistic practices

## OLT for the market



**~ 5%**, the coverage of the national gas needs guaranteed by OLT

**3.623.273.357 Sm<sup>3</sup>** of Natural Gas injected into the network

**100%** the allocation of regasification capacity in Gas Year 2022/2023

**Increase up to 5 billion of Sm<sup>3</sup>** the annual regasification capacity  
in the process of authorization

**Over 10 million euros** of investments for technical improvements  
and extraordinary maintenance in 2022

**166 million euros** the economic value generated, 70% of which redistributed



## OLT for the environment



**747 tons** of CO<sub>2</sub>eq Terminal emissions avoided compared to the 2019

**- 24%**, CO<sub>2</sub> emissions of the Guardian Vessel compared to 2019

**~ 5.700 tons** of CO<sub>2</sub>eq, captured thanks to reforestation operations carried out in the three-year period 2020-2022, over the next 30 years

**Terminal, 100% single-use plastic free**

## OLT for people



**Zero accidents** in OLT and ECOS

**52%** female presence in the company population

**586** training hours provided for its employees → average **23** hours per capita

**2.371** hours on average per head for training of the ECOS personnel employed on the Terminal → average **32** hours per capita



Ethics and Integrity:  
compliance, corruption,  
competition



Fights against climate  
change



Approach  
to risk  
management





# **OLT OFFSHORE LNG TOSCANA**

1

# 1 OLT OFFSHORE LNG TOSCANA

## 1.1 WHO IS OLT

OLT Offshore LNG Toscana S.p.A. operates in the energy sector.

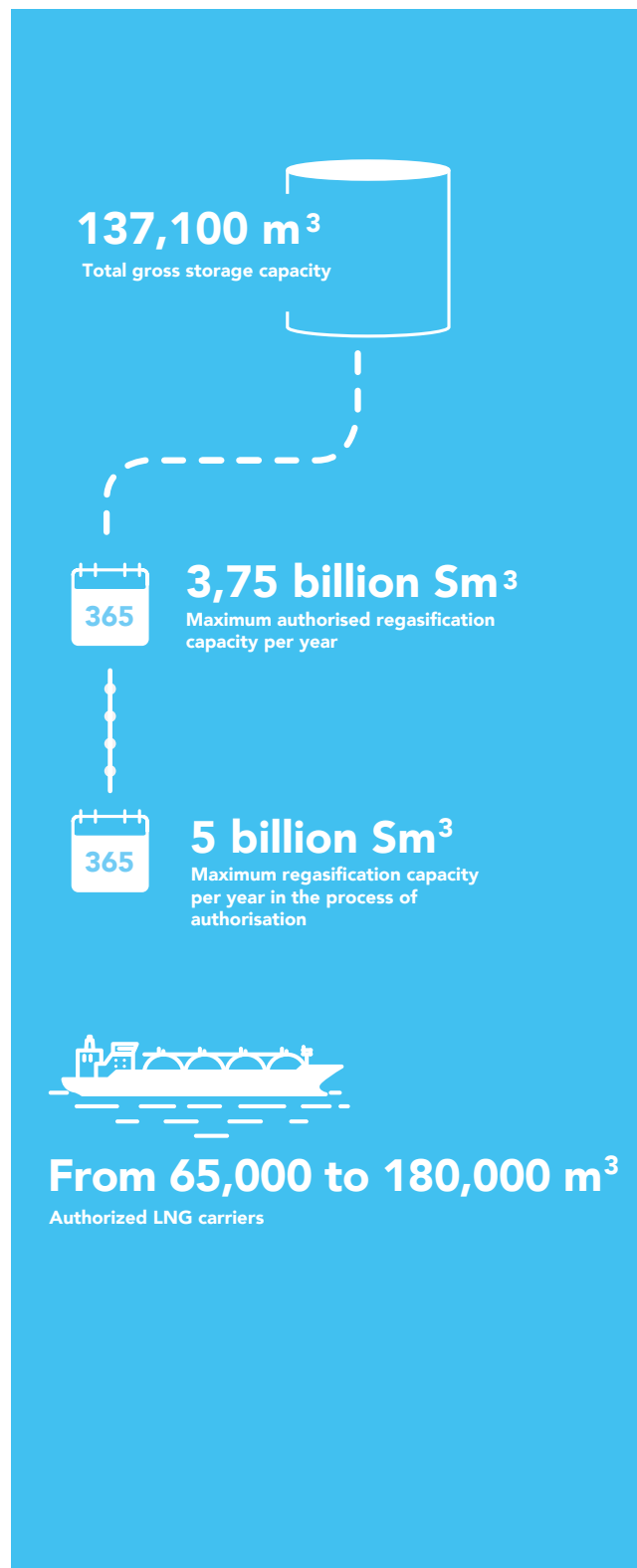
Without ever deviating from its own responsibilities, OLT puts the safety of people and the area at the centre of its operations, guaranteeing the full environmental, social and economic sustainability of its operations.

The FSRU<sup>1</sup> Toscana floating Terminal, through which OLT guarantees the storage and regasification of Liquefied Natural Gas (LNG), is one of the main infrastructures of national interest for the import of LNG serving the development and autonomy of the Italian energy system.

Permanently anchored about 22<sup>2</sup> km of the coast between Livorno and Pisa and connected to the Snam national gas pipeline network, the Terminal contributes substantially to the Italian Gas System, guaranteeing the security and diversification of the Country's energy supply with about 5% of the national requirement covered<sup>3</sup>.

Despite OLT being an entrepreneurial initiative with an international profile, with registered office in Milan, it is strongly linked to the territory here the plant is located; its operational offices are in Livorno.

**Location of the FSRU Toscana Terminal**  
(geographic coordinates 43° 38' 40" N e 9° 59' 20" E)



<sup>1</sup> Floating Storage and Regasification Unit (floating unit used for regasification and storage activities of LNG).

<sup>2</sup> Corresponding to 12 nautical miles.

<sup>3</sup> Italian gas consumption in 2022 amounted to 68.5 billion Sm<sup>3</sup> (Source: Ministry of Environment and Energy Security - Department of Energy - DGIS).

## 1.1.1 The Shareholders

The industrial businesses holding shares in the company are active in the energy sector at a national and international level.

OLT is not subject to the management and coordination, nor to control by the shareholders.

Any commercial operation with the shareholders is carried out at normal market conditions; furthermore, it should be stated that contracts have been signed with the shareholder Snam for the services provided by virtue of its role as operator of the National Gas Pipeline Network and that these services are provided at rates that are regulated by the Italian Regulatory Authority for Energy, Networks and Environment (ARERA).

### Snam

One of the world's leading energy infrastructure operators and one of the largest Italian listed companies in terms of market capitalization.

49,07%

### Igneo Infrastructure Partners

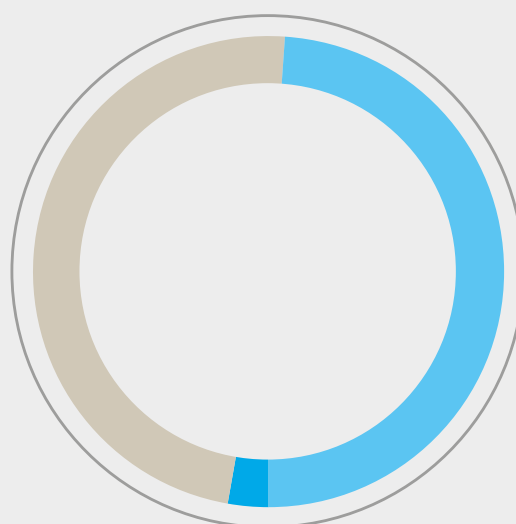
Global asset manager and experienced owner of utility businesses across Europe, Australia, New Zealand and the US<sup>4</sup>.

48,24%

### Golar LNG

Shipping company engaged in the acquisition, operation and chartering of LNG carriers, FLNG<sup>5</sup> and FSRU, with over 30 years of experience.

2,69%



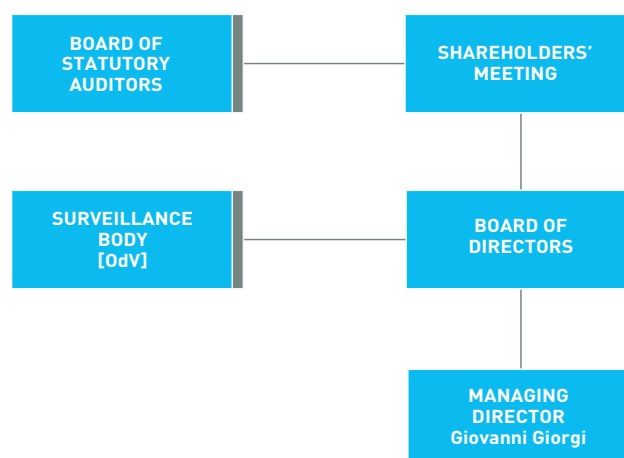
## 1.2 GOVERNANCE AND ORGANISATIONAL STRUCTURE

The OLT governance structure is characterised by the following bodies: Shareholders' Meeting, Board of Directors, Board of Statutory Auditors as well as the Surveillance Body appointed under Italian Legislative Decree 231 of 2001<sup>6</sup>.

### Shareholders' Meeting

The Shareholders' Meeting resolves on the matters reserved to its competence by the law or by the company's By-Laws. On 1<sup>st</sup> July 2022 the Shareholders' Meeting approved a new articles of association.

In accordance with the articles of association, the Ordinary Shareholders' Meeting resolves on the remuneration due to the members of the Board of Directors appointed by it.



<sup>4</sup> Until the 20/3/2022 First Sentier Investors.

<sup>5</sup> Floating Liquefied Natural Gas: LNG production and storage unit.

<sup>6</sup> Legislative Decree 231/01 establishes the administrative liability of the Organization for crimes committed by Directors, Managers and/or Employees in the interest or to the advantage of the Organization itself.

## Board of Directors

Starting from 1<sup>st</sup> July 2022 the Shareholders' Meeting, in accordance with the new By-Laws, appointed a new Board of Directors consisting of 7 directors, including the Chairman, appointed by the same Board, and an independent Managing Director<sup>7</sup>.

### 7 Advisors



The Managing Director, who has not assigned powers to other employees, is entrusted with the direct management of the Company.

The Managing Director is the "Independent Manager" within the meaning of the IFUC and has the right to express a binding opinion for all decisions of the Board of Directors, concerning management and organizational aspects relating to the regasification activity carried out by the Company and the related impacts, as well as for the approval of the development plan of the regasification terminal managed by the same and for all sustainability issues<sup>8</sup>. The Board of Directors has entrusted the management of the Company to the General Manager, also appointing him as Managing Director.

The recognition of the additional portion of the General Manager's remuneration is subject to the achievement of objectives, including sustainability objectives, defined annually. The Board of Directors shall express an independent assessment of the degree to which these objectives have been achieved by the Managing Director/General Manager.

The Directors may be re-elected and remain in office for no more than 3 financial years, meaning 3 years, according to the decisions of the Shareholders' Meeting, and cease their office, unless otherwise provided for by law, on the day of the shareholders' meeting convened to approve the Company's financial statements for the last year of their mandate. The term of office of the current Board of Directors is going to expire in April 2025.

## Board of statutory Auditors

The Board of statutory Auditors, consisting of 3 members, besides 2 substitute auditors, was appointed by the Shareholders' Meeting and is going to terminate with the meeting to approve the financial statements for the year ending on 31/12/2023.

3  
members



2  
alternate  
auditors



It oversees compliance with the law and the By-Laws, observance of the principles of proper administrative correctness and the adequacy of the organisational, administrative and accounting set-up and its proper operation.

<sup>7</sup> The Company was governed until 30<sup>th</sup> June 2022 by two Chief Executive Officers appointed by the Board of Directors and who were jointly entrusted with the day-to-day administration of the company.



## Independent Operator

OLT falls under the definition of "vertically integrated business", i.e. a business that manages an essential infrastructure for the development of the natural gas system in Italy which is also part of businesses which companies, that exercise activities open to competition in the natural gas sector, are part of. As such, it is subject to the obligations of accounting and functional separation as of the Integrated Functional Unbundling Code (IFUC), the purpose of which is to:

- promote the development of competition in the electricity and natural gas sectors;
- ensure the neutrality of the management of the essential infrastructures for the development of a free energy market;
- prevent discrimination in the access and use of sensitive commercial information;
- prevent cross-transfers of resources between the supply chain segments.

The IFUC provides that such companies entrust the administration to an Independent Operator that operates in compliance with the principles as of above and independently of the shareholders' sphere of influence.

## Surveillance Body

The Surveillance Body is composed by 3 members, was nominated under the Italian Legislative Decree 231 of 2001 by the Board of Directors on 11<sup>th</sup> March 2021.

3 members



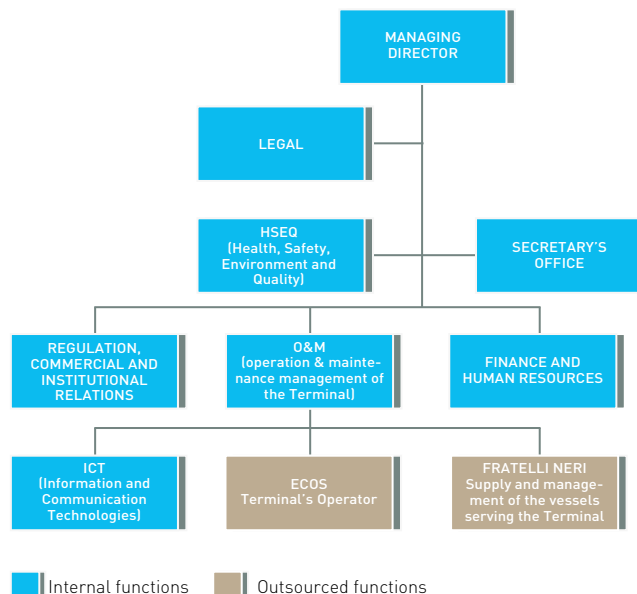
The Surveillance Body is entrusted with overseeing compliance with the preventive measures against the crimes provided for by the same decree.

<sup>8</sup> The presence of an independent Chief Executive Officer is the main measure to mitigate the risk of transactions with third parties in situations of conflict of interest. Now there are no forms of communication to interested parties of any situations in conflict of interest.

## Organizational structure

The Managing Director is supported by an organisational structure consisting of executives, middle management and staff with a high professional level, most of whom have been linked to the company for many years: resources that have been carefully selected, enhancing the professionalism of the territory, in line with the company needs and its business.

On top of the internal functions, the Company has chosen to make use, for the operational efficiency of the Terminal, of the support and collaboration of some of the most important operators in the sector: the company **ECOS**<sup>9</sup> is responsible for the operational management and fitting of the Terminal, whilst the company **Fratelli Neri**<sup>10</sup> manages the vessels serving the Terminal and provides the crew for them.



## 1.3 THE FIXED POINTS OF OLT

### Policy and Certification

The commitment to continuous improvement of its processes and services, dialogue with all the parties concerned and compliance with applicable laws and the principles ratified by International Conventions to defend human rights and the rights of workers are the foundations on which OLT bases its activities.

It is for this reason that Company took a voluntary path to report and certify its performance. This is outlined in the [Code of Ethics](#), the [Charter of Values](#) (Social Accountability), the [HSEQ Policy](#) (Health, Safety, Environment and Quality Policy) and the [MAP Policy](#) (Major Accident Prevention Policy), which are implemented in the 231 Organisational Model and the Integrated Management System adopted by OLT in compliance with Italian Legislative Decree 105/15<sup>11</sup> and certified on the basis of international standards.



The policies and documents defined in the context of the Integrated Management System<sup>12</sup>, as well as the procedures linked to Model 231, are prepared and approved by the Board of Directors with the aid of competent functions who ensure they are implemented with the involvement of all OLT's resources.

9 Joint venture between Fratelli Cosulich, an Italian company that has been active in the shipping sector for over 150 years and the EXMAR Ship Management company, a group operating in LNG transportation worldwide.

10 A company from Livorno, sector leader and part of the Neri Group, with more than 120 years of history in the sector.

11 Implementation of Directive 2012/18/EU (Seveso Directive) for the control of the danger of major accidents connected with hazardous substances.

12 The purpose of the management system is the following: Management of the Livorno regasification plant. Control and monitoring of the plant and support vessel management processes, managed by the outsourcers. Activities for marketing the regasification service.

### Model 231

In line with its company policies, which are aimed at safeguarding the legality and ethics in commercial relations and with its employees and workers, OLT has also adopted an [Organisational, Management and Control Model](#) in compliance with Italian Legislative Decree 231/01 in order to also provide to operate with the aim of preventing serious irregularities of criminal nature in the performance of its business activities for all stakeholders.

Model 231 - of which the [Code of Ethics](#) is an integral part - identifies the activities exposed to the risk of committing the crimes included in the aforementioned Decree, including issues connected with corruption and tax crimes, as well as crimes about the health, safety and the environment and dictates the main rules of conduct and control activities defined in order to prevent or impede those crimes being committed.

Model 231 is periodically updated based on the evolution of regulatory and organizational developments of reference and distributed to all the interested parties.

OLT has set up a Surveillance Body, which is composed by external members to the company structure and endowed with autonomous powers of initiative and control, consists of members from outside the company structure and has independent powers of initiative and control, which is assigned the task of supervising the functioning, effectiveness and compliance with the Model itself, as well as ensuring its updating.

In March 2022, the Board of Directors approved the latest update of Model 231; subsequently, the Company updated some internal procedures related to it.

The Model 231 also governs the management of reports of illegal conduct (Whistleblowing) encountered by employees in their activities, guaranteeing the anonymity of the person who made the report to prevent any possible retaliation or discrimination. It should be stressed that no reports have been recorded in the context of Model 231. All OLT employees received anti-corruption training. In particular, the Chief Executive Officer and the main top management functions were trained in anti-corruption matters as part of the training provided with reference to Model 231.

## 1.4 COMPLIANCE WITH LAWS AND REGULATION

OLT's activity is subject to a regulatory framework articulated both from the point of view of the market<sup>13</sup> and about the applicable environmental and safety legislation.

From an environmental point of view, the Terminal is subject to various procedures for assessing environmental impacts and authorization prescribed by Legislative Decree 152/2006 and subsequent amendments (Consolidated Environmental Act) and from the point of view of safety, due to the quantities of hazardous substances on board, to the application of Legislative Decree 105/2015 (*Seveso Directive*) relating to the control of the danger of major accidents related to dangerous substances.

As part of the management approach adopted and in compliance with the provisions of the applicable legislation and the authorization measures in place, OLT implements a monitoring and control plan that allows to constantly verify the state of compliance with environmental requirements as well as safety aspects.

The adoption of a structured and periodic first, second and third-party audit program, which involves not only OLT but also its *outsourcers*, further guarantees the monitoring of compliance with regulatory obligations and the effective functioning of the Integrated Management System and business processes. For 2022, there were 13 audits at OLT and 11 at *outsourcers*.

The effectiveness of the approach adopted is testified by the fact that no case of breaches of laws and regulations or episode of corruption by OLT has been confirmed over the last three years, just like no legal proceedings has been recorded for anti-competition, antitrust and monopolistic conduct.

The adoption of a periodic structured first, second and third-party audit programme, which does not only involve OLT, but also its *outsourcers*, further guarantees compliance with the regulatory obligations and the effective operation of the Integrated Management System and company processes.

<sup>13</sup> The regasification activity is one of the activities subject to regulation by ARERA, which defines the tariff and the criteria for access to the Terminal.

## 1.5 RISK MANAGEMENT

Risk is a potential imbalance that can produce change; the quality of this change is given by the ability of an organisation to foresee it and address it. Risks, therefore, can mutate into opportunities and proper management of them can evolve from a “defence” tool into a lever for growth.

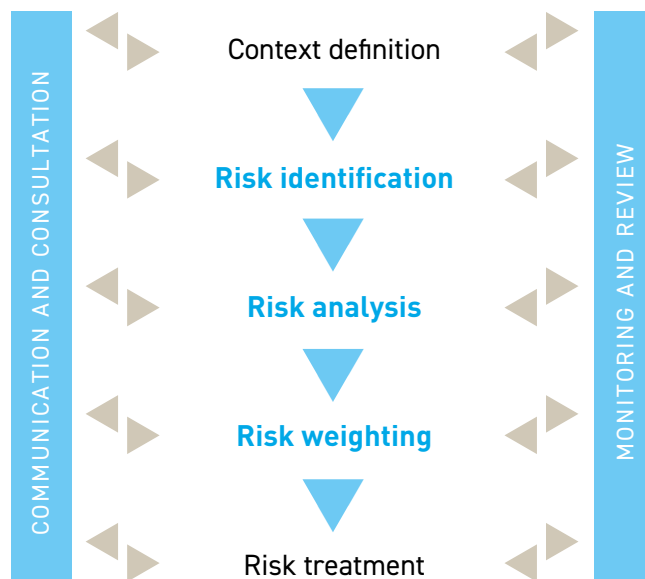
The approach to risk management is the set of rules, procedures and organisational structures aimed at allowing the main company risks being identified, measured and managed.

OLT, oriented towards grasping and capitalising on the growth opportunities offered by the context it operates in, has adopted a structured approach for assessing the risk and identifying the most suitable action for managing it.

Using a Risk Assessment activity, which is carried out in line with the provisions of the ISO 31001 standard and with the collaboration of the whole company structure according to the skills of each person, and periodically updated to be capable of anticipating scenarios and developments in the reference context, OLT can identify the potential critical issues and/or opportunities connected with its activities.

The outcome is a mapping broken down into 5 risk areas which affect all the company processes and are impacted by different factors that can be attributed to 10 categories.

### Risk assessment process and identification of treatment

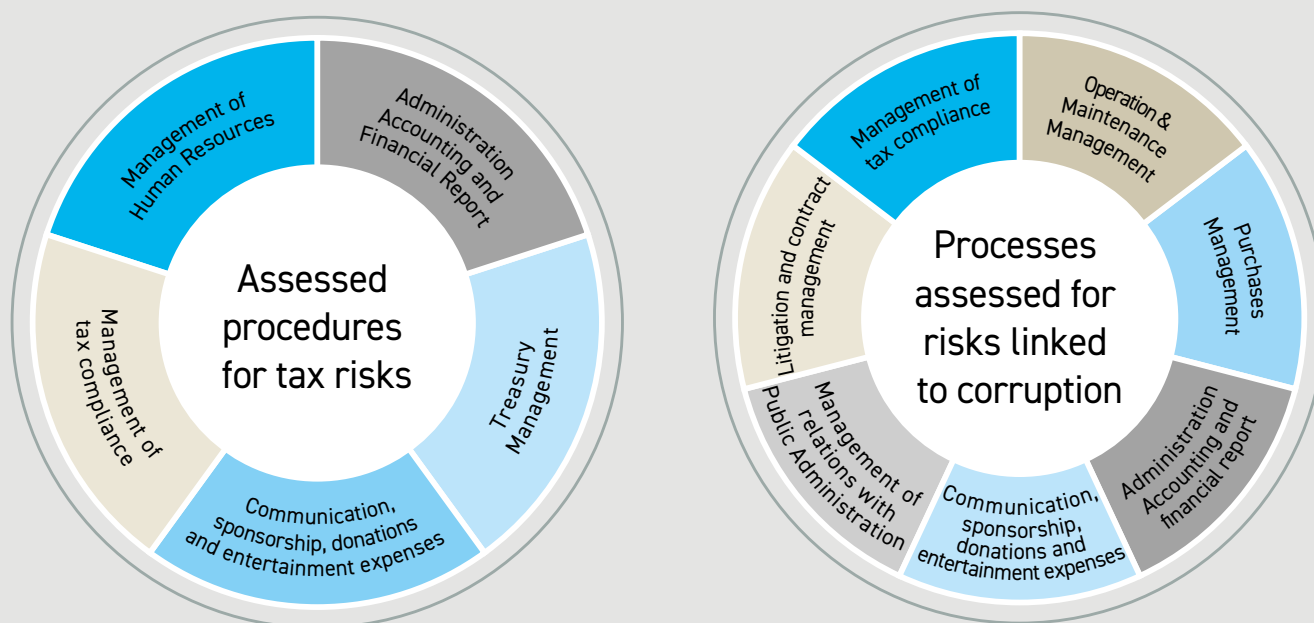


Therefore, the control tools implemented for their management and any action plans provided for the treatment of the residual risk in order to bring it to levels considered acceptable are identified for each type of risk.

With reference to tax risks and those linked to corruption and the processes most exposed to such risks, rules of conduct suitable to ensure the exercise of company activities in compliance with the laws and regulations have been implemented.

Further control tools are guaranteed by:

- suitably formalised and widespread internal procedures that govern the roles, responsibilities and operating methods provided for carrying out the activities, guaranteeing the traceability of the deeds and operations;
- distribution of responsibilities within the logic of segregation of duties and compliance with system of powers attributed in the context of the organisational structure.



OLT participates, and will participate in the coming years, in the reduction of GHG emissions produced during the normal activity of the plant and, in this regard, it is assessing solutions to achieve the goals set by the main guidelines and global meetings held on this issue<sup>14</sup>.

The issue is particularly dear to the Board of Directors and Shareholders; the evaluation of OLT's performance in terms of reducing climate-changing emissions is one of the objectives assigned to management. In fact, OLT has embarked on a decarbonization path that is reflected in the corporate goals.

As part of this process, in 2022, similar to that undertaken by major companies operating in the Oil & Gas sector, activities have been developed that form the basis for defining the "road map" toward the reduction of climate-changing emissions, in order to enable OLT to contributed to the achievement of global sustainability goals.

The assessment of climate change and the impact associated with risks or opportunities arising from climate change for the Terminal was finalised in January 2023 and the result of this analysis will be incorporated into the business management system in the coming months.

To date, among the financial implications for OLT due to climate change, in addition to the investments related to the changes required by the Small Scale LNG project, which contributes to the reduction of GHG emissions, a total of about 250,000 euros of costs incurred in 2022 for activities related to climate change management can be counted.

<sup>14</sup> Confirmed at COP27 in 2022, the goal of containing global warming to +1.5°C compared to the pre-industrial era.



## 1.6 OLT: TODAY'S RESULTS AND TOMORROW'S COMMITMENTS

In order to ensure its sustainable business model, OLT is committed to pursuing continuous improvement in the ESG aspects (Environmental, Social, Governance) which make the growth in company activities compatible with protecting safety and safeguarding the environment. Moreover, OLT is committed to a path of consultation and dialogue with the territory from which a set of economic and social initiatives to support the community, particularly the weaker brackets, have ensued.












Therefore, the OLT management defines concrete objectives and measures the results achieved, using them to assess the effectiveness of its action, to pursue continuous improvement.

The *Sustainable Development Goals (SDGs)*, to which OLT contributes and will be able to contribute more in the future, were assessed. All 17 SDGs were analysed, with their targets, and the OLT commitments contributing to achieving them were identified, allowing 10 priority objectives to be selected.

### SUSTAINABLE DEVELOPMENT GOALS



The table shows the state of progress for the initiatives planned in previous years and the main objectives for the future, broken down in relation to the *Sustainable Development Goals (SDGs)*.

OBJECTIVES	ACTIVITIES CARRIED OUT IN 2022	PLANNED ACTIVITIES	SDGs
<b>OLT FOR THE MARKET</b>			
<b>By 2023</b> Extending the Terminal's commercial offer by activating the <i>Small Scale LNG (SSLNG)</i> service	Plant modification	<b>2023</b> - Testing and start-up of <i>SSLNG</i> service <sup>15</sup>	 
<b>By 2023</b> Increase in regasification capacity	Authorization process	<b>2023</b> - Conclusion of the authorization process and subsequent increase in capacity	
<b>OLT FOR THE ENVIRONMENT</b>			
GHG scope 1	<b>By 2025</b> "Climate change": definition of the GHG reduction plan with subsequent development of decarbonization projects	<b>2023</b> - Implementation of feasibility studies <b>2024</b> - Definition of the GHG reduction plan <b>2025</b> - Communication and sharing of results	 
	<b>By 2025</b> Improved reporting of GHG emissions	<b>2023</b> - Achievement of Framework level 3-4 <b>2024</b> - Achievement of Framework level 4 <b>2025</b> - Achievement of Framework level 4-5	
	<b>By 2024</b> Reduction of energy (0.9% compared to 2019 <sup>16</sup> ) and reduction of CO <sub>2</sub> (0.47%) by the replacement and use of induction lamps	<b>2024</b> - Completion of lamp replacement and analysis of CO <sub>2</sub> reduction (0.47%)	 
	<b>By 2025</b> Reduction of energy (0.9% compared to 2019 <sup>17</sup> ) and reduction of CO <sub>2</sub> (0.47%) through the improvement of the seawater pumps' energy efficiency via a new design	<b>2024</b> - Completion of replacement of modified pumps <b>2025</b> - CO <sub>2</sub> reduction (0.47%)	 
	<b>By 2024</b> Reforestation and compensation for the CO <sub>2</sub>	Maintenance of the area 1 (first project of Monte Pisano): 5,348 tons of CO <sub>2</sub> captured <sup>18</sup> and Monte Serra area 2 design	
		Maintenance of a municipal area in Pisa with 148.6 tons of CO <sub>2</sub> captured <sup>19</sup>	
		Realization of the municipal area in Livorno 264 tons of CO <sub>2</sub> seized total <sup>20</sup>	
		<b>2023</b> - Reforestation of the area 2 (second project of Monte Pisano) and maintenance of the reforested areas	
		<b>2023</b> - Municipal area maintenance	
		<b>2023-2024</b> - Municipal area maintenance	

<sup>15</sup> The service contributes to CO<sub>2</sub> mitigation on a national scale.














<sup>16</sup> Reduction of the 4% compared to the 2019 consumption excluding energy-intensive machines.

<sup>17</sup> Reduction of the 4% compared to pump consumption (reference to year 2019).

<sup>18</sup> Estimate carried out the by Tuscany Region, quantity calculated over 30 years.

<sup>19</sup> Estimate carried out the by Tuscia University, quantity calculated over 20 years.

<sup>20</sup> Estimate carried out the by Tuscia University, quantity calculated over 20 years.

OBJECTIVES		ACTIVITIES CARRIED OUT IN 2022	PLANNED ACTIVITIES	SDGs
GHG scope 3	<b>By 2022</b> Reduction by 10-15% (compared to 2019) of CO <sub>2</sub> emissions for the Guardian Vessel, vessel serving the Terminal	Reduction of CO <sub>2</sub> by 24% compared to 2019 by turning off an engine when patrolling around the Terminal	Complete objective	
	<b>By 2023</b> Plastic Free	100% Plastic Free for the Terminal	<b>2023</b> - Achievement of 100% Plastic Free for the vessels serving the Terminal	
OLT FOR PEOPLE				
Safety	<b>Every year</b> Risk reduction of major accidents by means of annual improvement plans (MAP)	Organisational, awareness, maintenance and monitoring improvements in implementation of the Improvement Plan in the MAP Policy	Implementation of the Annual Improvement Plan	 
	<b>By 2022</b> Improvement of the Health and Safety culture through the LiHS - Leadership in Health and Safety program	Involvement of OLT, ECOS and Fratelli Neri personnel with specific activity in 2022 "Champions Forum"	Complete objective	 
Social	<b>By 2025</b> Development of projects shared with the territory in order to implement the company social responsibility action	Implementation of the initiatives aimed at reinforcing and structuring relationships between the Company and the territory, based on 5 subject areas: (environment, young people and training, sport, culture and social, children and health, workers' health and safety) <sup>21</sup>	Maintain existing projects and develop new projects for the 5 subject areas	    
	<b>By 2024</b> Development of activities linked to the acceptance of diversity and the promotion of inclusion	"Empower our Energy" personnel empowerment project Proposal for company agreement on smart working finalized	<b>2023</b> - Implementation of improvements to the "Empower our Energy" project <b>2024</b> - Development of new initiatives	 

<sup>21</sup> For more information, please refer to the initiatives described in paragraph 4.3.2 "The path of social and economic integration with the community".





LNG market and energy transition



Quality of the service



Economic impacts



Ethics and integrity  
financial flows with  
Public Administration and  
lobbying



Occupational  
practices and  
protection of work



# OLT FOR THE MARKET

2

## 2 OLT FOR THE MARKET

### 2.1 THE ROLE OF LNG AND INITIATIVES TO DEAL WITH THE EMERGENCY IN GAS MARKETS

LNG is playing a leading role in the national and European gas market, contributing to the security of supply, diversification and competitiveness of gas supply sources.

In Italy, in the period 2016-2021, LNG imports constituted a relatively constant share of the overall gas delivery<sup>22</sup>. Starting from the second half of 2021, the natural gas market has been characterized by high volatility and the rising of the prices, influenced by the trends of the international LNG market.

The 2022 pointed out a fundamental change: the LNG has increased significantly its contribution following the conflict between Russia and Ukraine, that has imposed a replanning of the sources of the gas supply, and a reduction in pipeline gas imports caused by the uncertainty of the sharp decrease of the gas received from Russia.

In order to face this new framework, several initiatives have been adopted – both at national and European level – to increase the gas availability, supporting the increase of additional volumes imported from non-European countries and the filling of storages in the short term.

For what concern the measures taken at European level, the European Commission's Communication of 8<sup>th</sup> March 2022 (REPower EU) outlines several initiatives for the European independency from Russian fossil fuels before 2030 and to face the rise of energy prices in Europe and to replenish gas stocks. The communication identifies two main areas of intervention: measures to face the emergency and medium to long-term measures to stop the dependence on fossil fuels imported from Russia, including also, the diversification of gas supplies, thanks to the increase of imports from non-Russian suppliers and to the increase of the production and to the import of biomethane and green hydrogen.

Member States are currently evaluating the European Commission's proposal to transform the current Temporary Framework into an instrument to support the green transition of the European economy, extending its scope and prolonging it until 31<sup>st</sup> December 2025. The European Union's total LNG import capacity amounts to approximately 157 billion m<sup>3</sup>, correspondent to approximately 40% of the EU's total gas demand<sup>23</sup>. Several Member States, including Italy, have decided during 2022 to invest in the further development of regasification capacity, to increase the security and flexibility of the gas system.

### 2.2 INCREASE OF THE TERMINAL REGASIFICATION CAPACITY

Considering the necessity to diversify gas supply sources for national energy security and the necessity to increase the available regasification capacity, OLT verified the technical feasibility of increasing the annual regasification capacity from the current 3.75 billion of Sm<sup>3</sup> to about 5 billion Sm<sup>3</sup>.

The increase of the regasification capacity does not involve plant changes, but a greater utilization of the existing plant through the increase of the quantities of LNG discharged and regasified; no changes in the number of berths of LNG carriers are needed compared to those currently authorised nor changes in the size of authorised vessels<sup>24</sup>.

An increase in hourly regasification capacity was considered to ensure greater plant and logistical flexibility and to optimize landfill times. The design checks were carried out to ensure that the plant is technically able to cope with this increase, at different hourly flow rates.

22 Report on the monitoring of the supply contracts for the import of gas into Italy (reference paragraph 3.3 Resolution 252/2022/I/GAS of 9<sup>th</sup> June 2022).

23 Data source: Eurostat.

24 LNG carriers up to a maximum of around 180,000 m<sup>3</sup>, class "New Panamax".

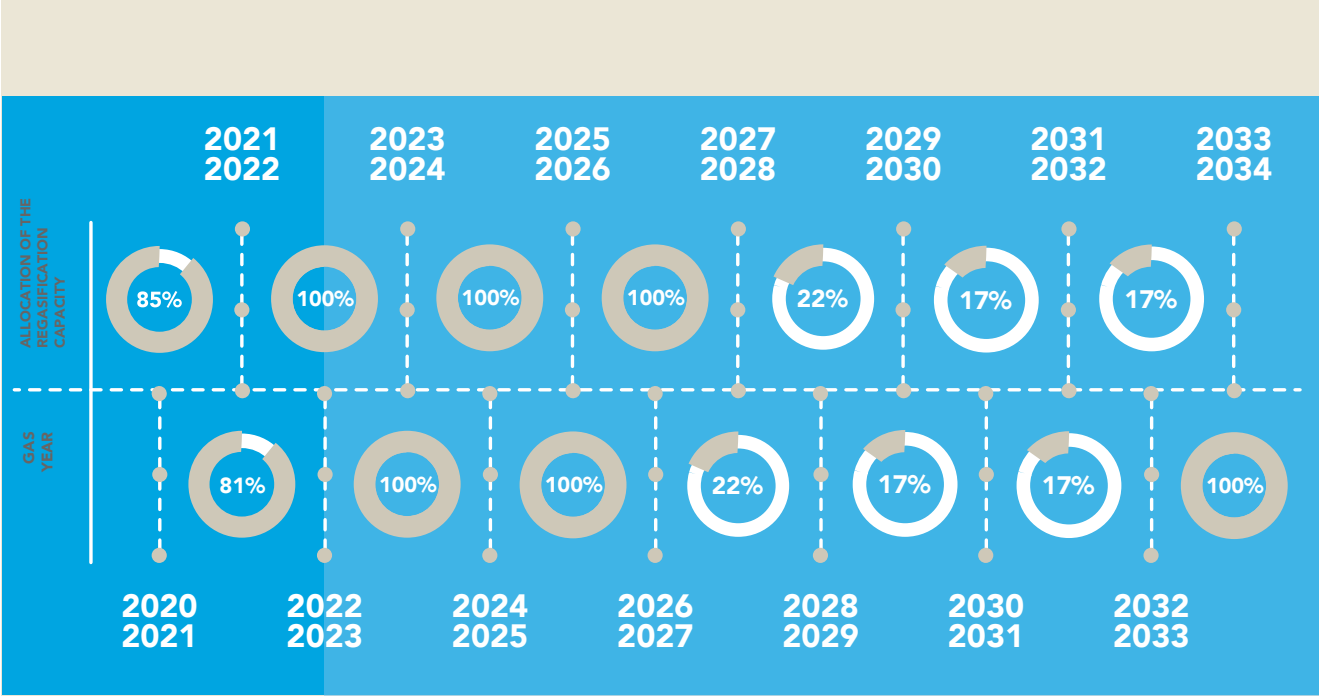
Following the technical verifications, on 2<sup>nd</sup> August 2022 the authorization process started sending the request to the MiTE<sup>25</sup>. With resolution no. 1135 of 10<sup>th</sup> October 2022, the Tuscany Region voted in favour of the increase of the Terminal regasification capacity and on 27<sup>th</sup> December 2022, MASE issued the *EIA*<sup>26</sup> Decree with which it expressed a favourable opinion on the increase of the regasification capacity.

Following the issuance of the *EIA Decree*, on 30<sup>th</sup> December 2022 the preliminary investigation for the final authorization has been reactivated, and currently it's under finalization.  
In parallel with the authorization process, OLT has put its Regasification Code under consultation, in which the necessary changes have been introduced to allow the offer of additional capacity.

## 2.3 THE SERVICES OFFERED



### Terminal usage and current allocation of the next Gas Years



25 Ministry of Ecological Transition (MiTE), now Ministry of Environment and Energy Security (MASE).  
26 OLT has introduced the request for capacity increase within the authorization procedure initiated for the increase in the berths of Small Scale carriers.

Wobbe Index system, which makes possible to correct the quality of LNG in terms of calorific value, adapting it to the specific requests of the national network; this allows the reception of most of the LNG produced in the world

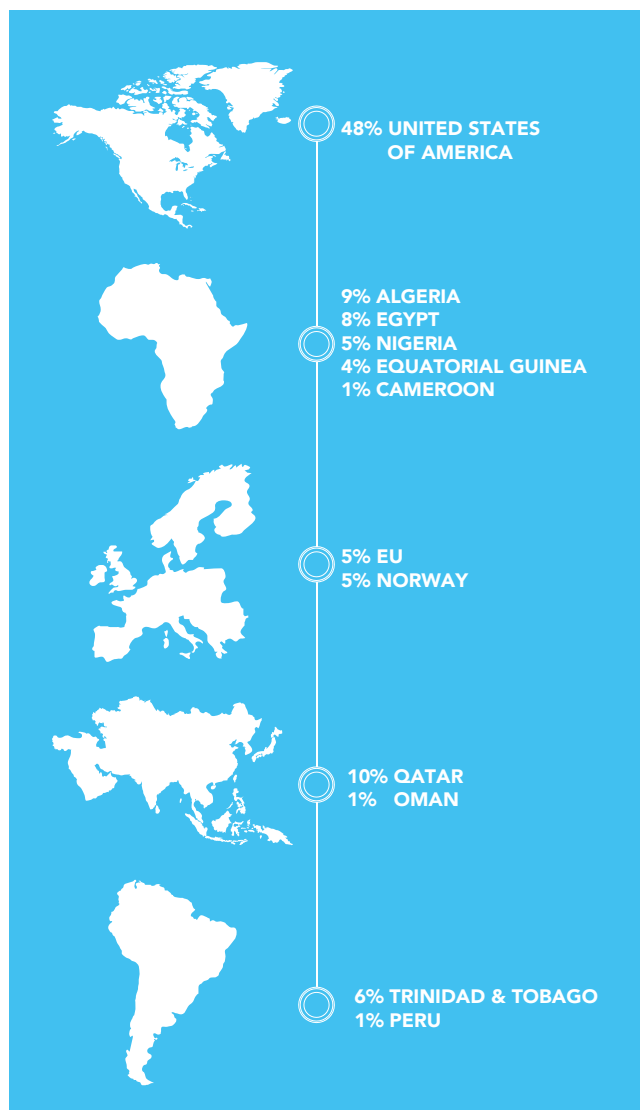


The Terminal is authorised to receive about 90% of the current LNG carrier fleet, in particular those with a cargo capacity between 65,000 m³ and 180,000 m³ (or similar to the class called "New Panamax")

OLT provides the maximum capacity and flexibility of the Terminal, both, from the point of view of the cargo capacity of the authorized LNG carriers, and for the quality and origin of the LNG, ensuring at the same time high standards of safety and environmental sustainability.

Thanks to these characteristics, the Terminal represents an important guarantee for the diversification of supplies and for the country's energy security, contributing significantly to mitigate geopolitical risks such as those that occurred in the last year.

The contribution that FSRU Toscana provides to the diversification of supply is confirmed by the reception of LNG cargoes arriving from the main exporting countries such as Algeria, Cameroon, Egypt, Equatorial Guinea, Nigeria, Norway, Oman, Peru, Qatar, Trinidad and Tobago and the United States.





## 2.3.1 The Regasification Service

The regasification service includes the mooring of the LNG carriers, the unloading of the LNG into the Terminal's tanks and the redelivery of what has been regasified to the entry point of the National grid or at the *Virtual Exchange Point (PSV)*.

The regasification service is offered by OLT on the basis of access rules defined in a transparent and non-discriminatory way and gathered in the [Regasification code](#)<sup>27</sup> approved by *ARERA*.

The current mechanism for the allocation of regasification capacity by means of an auction procedure<sup>28</sup> defined the bidding methods and the criteria for setting the reserve price for each allocation process.

Since 10<sup>th</sup> April 2018, using the *Platform for the Allocation of Regasification Capacity (PAR)* managed by "Gestore Mercati Energetici" (GME), the users of the Terminal can submit their bids for all the products – multi-year, annual and infra-annual – offered according to the terms and conditions set forth in the Regasification Code.

In the calendar years 2020, 2021 and 2022 were allocated, respectively, 38, 30 and 41 delivery slots out of the 41 offered.

### Regasification Service

	2020	2021	2022
Slot allocated	38	30	41
Natural liquid gas discharged	5,239,792	2,255,137	6,020,750
Natural Gas entered into the grid (Sm <sup>3</sup> )	3,139,415,371	1,363,451,946	3,623,273,357

The market conditions and the particular geopolitical framework have allowed the full allocation of regasification capacity in 2022 and the allocation, in annual and multi-year auctions, for the next 7 years: all the capacity available for the *Gas Years* 2022/2023 and 2023/2024, above 80% of the capacity until 2026/2027 and 5% of the capacity in the *Gas Years* 2027/2028 and 2028/2029. Moreover the annual and multi-year auctions with expression of interest held in April 2023 were successfully concluded with 100% of the allocated capacity, for the first product offered.

Thanks to the results of these auctions, the regasification capacity of 3.75 billion Standard cubic meters per year (currently authorized) has been fully allocated until *Gas Year* 2026/2027 with a minor allocation up to *Gas Year* 2033/2034.

OLT provides additional flexibility services to the users of the Terminal - nomination and renomination of their redelivery profile, extended storage of LNG inside the Terminal tanks and the *Virtual Liquefaction* service - allowing them to seize the market opportunities.

#### Regasification:



process by which liquefied natural gas (atmospheric pressure and temperature about -160 ° C), transported by ship and stored in regasification plants, is returned to the gaseous state by heat exchange. The temperature variation generally occurs through the heat exchange in tube bundles between liquid gas and sea water, which transfers its heat to the gas; the pressure, on the other hand, is reduced by expanding the gas in special tanks. At this point the gas can be fed into the national distribution network.

<sup>27</sup> The document containing all the rules to access and use the regasification service offered by the Terminal as well as the standards of the service's quality.

<sup>28</sup> Introduced in 2017 by ARERA Resolution 660/2017/R/gas.

## 2.3.2 The emergency services set up by MASE

Every year, MASE establishes the most suitable measures to be adopted to face energy emergencies. In particular, the “Peak Shaving Service” is one of the emergency measures established by the Ministry of Environment and Energy Security included in the “Emergency Plan” to tackle specific unfavourable situations for the National Gas System.

In case of emergency during the winter period, through the activation of this service it is possible to regasify and send into the grid, at short notice, the LNG previously discharged and stored in the Terminal's tanks tackling the peak demand for a limited period of time.

In the last three years, even if the Peak Shaving Service has not been always requested by MASE, OLT has nevertheless contributed in terms of security of supply during the winter period through the constant reception of LNG cargoes.

## 2.3.3 The Small Scale LNG Service

Natural gas (in gaseous or liquefied form) is proving to be of fundamental importance for a sustainable transition of the entire energy and transport sector.

In particular, at European and at national level, the use of LNG is supported according with the diversification strategy of the use of less pollutant fuels in the maritime sector<sup>29</sup>.

The *Small Scale LNG (SSLNG)* service can contribute to reduce the environmental impact of the maritime and land transport sectors, adding an important step forward into the energy logistics, allowing to complete the supply chain for the use of LNG as a sustainable fuel, reducing the polluting and climate-changing emissions in the heavy land transport and in the maritime transport, as well as, in industrial and civil uses in areas not connected to the national gas grid.

The *SSLNG* service provides that small LNG carriers can load LNG directly at the FSRU Toscana Terminal to refuel LNG ships or to deliver it to coastal deposits, inside the Mediterranean ports where both vessels and heavy land vehicles that use LNG for fuel can be refuelled. The Terminal users have the possibility to procure the LNG dedicated to this service through the delivery of a large LNG carrier, through exchanges with other users of the Terminal or through the *Virtual Liquefaction* service.

The Simplification Decree<sup>30</sup> is included in this context, accordingly, Sardinia could become, in a short time, a pilot area where will be created the first virtual pipeline – a virtual connection for gas by sea - to supply its industrial district and develop the maritime sector in a greener way.

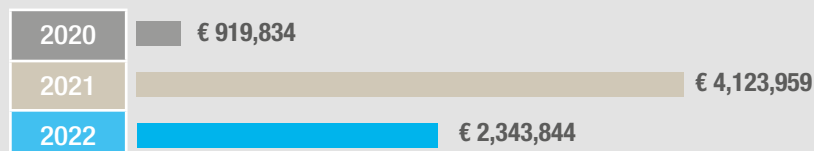
On 8<sup>th</sup> October 2020 OLT received the authorization of the Ministry of Economic Development (now MASE) in agreement with the Ministry of Infrastructure and Transport and in agreement with the Tuscany Region, to carry out the Terminal modification works, aimed at offering the loading service of small LNG carriers. Following a study on logistics that deepened the capacities of the Terminal, OLT decided to improve the flexibility and the efficiency of the Terminal, undertaking a new authorization path to allow the berthing of up to 122 Small Scale LNG carriers (SSLNGc) per year.

On 30<sup>th</sup> December 2022, MASE issued the Environmental Compatibility Measure (*EIA Decree*) by which expressed a favourable opinion to increase the number of berths for the Small Scale LNG service. OLT is currently awaiting the final authorisation of the entire procedure.

The plant engineering modifications concerning the port side of the Terminal, where the main elements for *StS operations* and discharge are already present, are complete, the activities in progress are related to the pre-commissioning phase, followed by cold testing with the first discharge operation.

In 2022, the OLT's investment in the Small Scale LNG<sup>31</sup> project amounted to above 2 million euros, representing 19% of the total investments for the year, equal to 12.6 million euros.

### Investment for Small Scale LNG<sup>32</sup>



29 The Mediterranean Sea was included in a Sulphur Emission Control Area (SECA) during the 79th session of the Marine Environment Protection Committee (MEPC). The designation will be effective from 1 May 2025. From that date, ships will have to use marine fuel with reduced sulphur content throughout the Mare Nostrum.

30 Act no. 120 of 11<sup>th</sup> September 2020, enactment with amendments of Law Decree no. 76 of 16<sup>th</sup> July 2020, on “Urgent measures for digital simplification and innovation” (Simplification Decree).

31 Expected duration of the investment until 2023, the “end of life” date of the plant.

32 In addition to the work for modifications on board the Terminal, the data include also capitalized ancillary costs (for example permits, feasibility studies, consultants, personnel costs).

## 2.4 THE QUALITY OF THE SERVICE OFFERED

OLT has adopted a policy aimed at achieving and maintaining a high-quality standard so as to guarantee to all users a high level of reliability for providing the regasification service, respecting safety and the environment.

The provision of the service has always been guaranteed in the three years of reporting and the mooring of the cargoes were always received according to the planned arrival window in above 90%<sup>33</sup>, guaranteeing in any case the annual unloading schedule of 100% of the planned cargoes.

The [Regasification Code](#) indicates the main quality principles which regulate the provision of the services and the related commercial and technical quality standards.

OLT has a dedicated monitoring processes for customer satisfaction and for the management of complaints.

For 2022, the Terminal users, by means of a customer satisfaction questionnaire, expressed a positive opinion of the quality of the service offered and the support given during the commercial activities. The questionnaire shows a rating scale from 0 to 5 divided into thematic areas and an evaluation is considered sufficient if higher than 3.

The overall rating obtained for 2022 was equal to 4.33.

Finally, OLT does not process customers sensitive data and, in any case, there have never been cases of data loss.

### Service quality principles

#### Safety, health and environment

Provision of the Regasification Service in compliance with safety, health and environment.

#### Participation

Procedure to update the Regasification Code open to the participation of all those entitled.

#### Information

The information regarding own capacity contract and other relevant information regarding relations with OLT available for each User.

### Efficiency of the Regasification Service

Adopt suitable solutions to adjust the Regasification Service to the market requirements.

### Continuity of the Regasification Service

- Limit the consequences of interruptions to the Regasification Service.
- Communicate those interruptions to the Users.
- Adopt the necessary measures to restore the Service.

### Impartiality of treatment

Observance of the principles of objectivity, neutrality, and impartiality and non-discrimination in the operation of the Terminal and company activities.

## 2.5 THE VALUE CHAIN

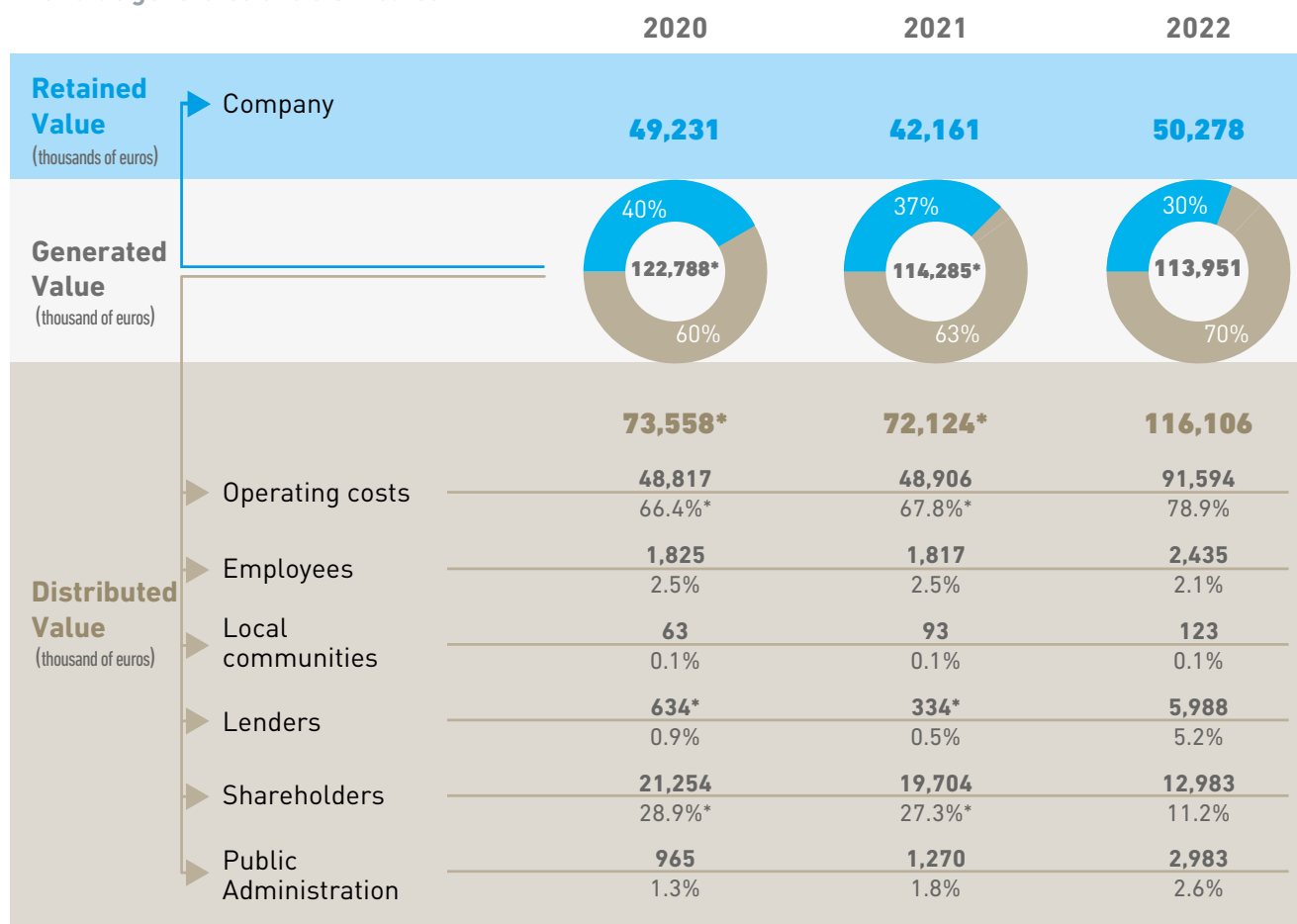
### 2.5.1 Our contribution to growth

Generating value by adopting initiatives and conduct that allow the Company to operate successfully in the reference market, achieving sustainable results and guaranteeing a balanced distribution of the value to its stakeholders, be they direct or indirect: this is the contribution of OLT to the growth of economic value.

Using the analysis of the distributed economic value, we would like to highlight the flow of resources to our employees, suppliers of goods, services and capital, the Public Administration and the reference territory.

<sup>33</sup> The percentage refers to the case where cargo reception occurred within the scheduled arrival window or otherwise without the postponement or anticipation producing any consequences on other cargoes. Compliance with the arrival window for receiving cargoes is affected by weather conditions.

## The value generated and distributed



\*Modified data: unlike previous years in which the net value was reported, the value distributed to lenders is considered to the gross of financial income, which contributes to the determination of the generated value.

In 2022, the economic value generated by OLT was almost € 166 million, of which 30% was held back by the Company and 70% redistributed mainly to the suppliers of goods and services under the form of operating costs (78,9%). The increase over previous years is attributable not only to the full utilization of the Terminal, but also to the high level of regasification capacity auction prices, resulting from the auction mechanism introduced by *AREPA*.

In relation to the value distributed, while the share distributed to employees and the local community is substantially stable in percentage terms, there is a decrease in the share distributed to shareholders<sup>34</sup> and an increase in the share distributed to lenders<sup>35</sup>, due to a corporate debt refinancing transaction signed in June 2022. The increase in the share distributed to the Public Administration<sup>36</sup> is attributable to the higher taxes due in connection with the higher profits realized in 2022.

The significant increase in operating costs, on the other hand, is attributable to higher costs related to pass-through costs related to transportation and NG consumed for the production of electricity consumed. These costs are charged back to users, so the increase is exactly matched by 2022 revenues.

OLT does not make political contributions of any kind. It has been able over the three-year period to count on the financial aid received from the Public Administration under the form of tax relief and tax credits for a total of € 561,019, of which € 539,215 for tax relief in 2020 because of the write-off of the Irap balance correlated to the Covid-19 pandemic.

At the same time, in the 2020-2022 three-year period, OLT paid a total of about 1.5 million euros to state property for the occupation of offshore state property by the Terminal.

### Other financial flows with the public administration

	2020	2021	2022
Financial aid received from the public administration	€ 540,965	€ 15,728	€ 4,326
Contributions paid for the granting of the offshore state property area	€ 506,617	€ 497,244	€ 536,775

<sup>34</sup> Interest on existing shareholder loans.

<sup>35</sup> Bond holders and banking system.

<sup>36</sup> Direct and indirect taxes net of deferred taxes.

The fiscal approach of OLT is underpinned by the values of transparency, honesty and lawfulness. In order to guarantee that these values are applied, the Company has adopted procedures which ensure that the fiscal and tax risks and *Tax Compliance*, are controlled, also through the support of external experts.

The process for determining the taxes guarantees the segregation of roles between the different figures involved. The Administration and Finance Department is obliged to check that the tax data are correct before a further check by the auditors.

The approach adopted by OLT for *advocacy* on fiscal matters includes the resort to legal and tax offices of national and international significance whenever there is a tax question to be resolved or a particular operation to be implemented.

Relations with the tax authorities are in any case underpinned by the criteria of maximum collaboration and transparency; given the complexity and unique nature of the business, the Company has over the years needed to submit questions to get instructions directly from the Revenue Office regarding the most appropriate way to define certain operations fiscally.

### 2.5.2 Partnership with suppliers

OLT operates to build a partnership system with suppliers based on clear transparent rules, which are central factors for maintaining the quality of the services, protecting the environment and the safety of the workers and the communities.

The prior qualification of suppliers and sub-suppliers is a fundamental element in the procurement process. The qualification criteria take into account that the suppliers have high technical/professional, economic/financial, health and safety, environmental and compliance standards, as well as the ability to meet the social accountability requirements set by the SA8000 standard.

If the supplier holds any Quality, Environment and Safety certification, this is a preferential qualification.

Suppliers and *outsourcer* are required to share the principles expressed in the HSEQ Policy, the Charter of Values, the [Organisational and Management Model under Italian D. Lgs. 231](#) and the [Code of Ethics](#) of OLT.

The performance of the suppliers is monitored annually and assessed to ensure that the contracts properly fulfilled and that they comply with the OLT policies and procedures.

Furthermore, the internal procedures that regulate the purchase process define the criteria for identifying the categories of supplies considered critical because of their potential impact on the compliance of the service provided by OLT or their potential repercussions on the compliance of OLT with the regulations and standards. All the suppliers of critical purchases are qualified for the quality, environment, safety and social standards. In 2022, 43 suppliers (100% of critical suppliers) qualified according to Quality, Environmental, Safety and Social standards were assessed on these aspects. There is an additional three-yearly assessment for the suppliers of goods and services falling under the “critical supplies” categories<sup>37</sup>; this is aimed at identifying the suppliers to undergo annual checks on SA8000 aspects. In 2022, four suppliers were subject to an annual assessment on SA8000 aspects, representing all the suppliers to be subject to this assessment.

Based on the assessment made, all our suppliers appear to be low risk with regard to the aspects concerning the freedom of association, child labour, forced labour and, more generally, the respect of human rights.

OLT contributes significantly to the local economy by offering all the firms in the regional area and the District of Livorno and Pisa, in compliance with the principles of competition, an equal opportunity to compete for the supply of the goods and services necessary for the management of the company business and the Terminal.

In the last three years, the average percentage of expenditure to suppliers and *outsourcers* from the District of Livorno is 99% of the expenditure to suppliers in the Region of Tuscany.

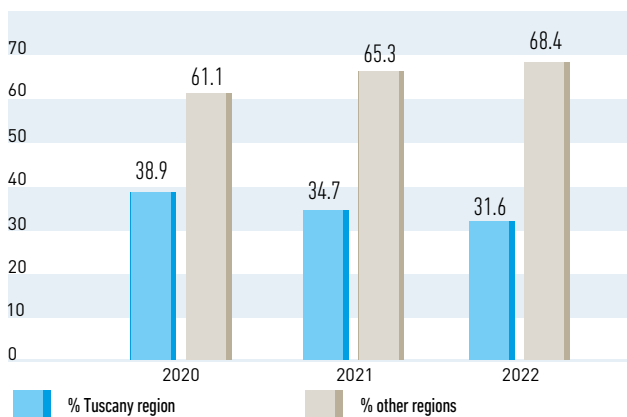
Of particular significance, in the area of qualified suppliers, are the *outsourcers* that operate on the Terminal and support it and the providers of service and technical consultancy linked to the Terminal's performance.

#### Social Accountability Requirements



- 1 Child labour
- 2 Forced or compulsory labour
- 3 Health and Safety
- 4 Freedom of association and right to collective bargaining
- 5 Discrimination
- 6 Disciplinary practices
- 7 Working hours
- 8 Remuneration
- 9 Management system

#### Territorial distribution of expenditure to qualified suppliers



<sup>37</sup> The assessment criteria for a supplier on the SA8000 aspects are: commodity sector, OLT sphere of influence, analysis of historical data and risk assessment in the SA8000 context.



## Energy consumption



## Fight against climate change



## Air quality



## Effects on the biodiversity



## Waste management



# OLT FOR THE ENVIRONMENT

3



# 3 OLT FOR THE ENVIRONMENT

The FSRU Toscana Terminal carries out its activities with full respect for the environment.

The project has obtained all the necessary environmental authorisations<sup>38</sup>. The results of the *EIA* and *IEA* processes have highlighted the possibility that the floating unit can really co-exist with the ecosystem in the geographic area affected by the presence of the Terminal. The environmental aspects linked to the Terminal's activities were identified and analysed and the necessary appropriate measure to minimise the impact on the different environmental matrices involved were prepared.

The Company pursues the improvement of its performance through the continuous search for organizational and plant improvements, following the philosophy of *Best Available Techniques (BAT)*. All the activities that have repercussions, actual or potential, on the environment are regularly monitored through the Integrated Management System and especially through a careful Monitoring and Control Plan.

In this chapter are analysed the performance of the Company in relations to the issues that were most relevant as a result of the materiality analysis. For a complete discussion of OLT's environmental performance, please refer to the [Environmental Statement](#)<sup>39</sup> prepared in compliance with the provisions of the *EMAS* Regulation. For an in-depth examination of the standards, scenarios and/or calculation tools used for collecting and processing environmental data, please see the methodology note.

## 3.1 ENERGY CONSUMPTION AND CLIMATE-CHANGING EMISSIONS

### 3.1.1 Energy consumption

#### Energy consumed

The electricity used by the terminal is entirely self-produced<sup>40</sup> thanks to four steam turbogenerators, powered by boilers which exploit the LNG vapours, and diesel generators used solely in the case of need and/or emergency. The FSRU Toscana Terminal is in fact characterized by an energy self-sustaining system that allows to optimize consumption by fully offsetting the electricity used with that what is produced.

#### Electric energy produced and consumed within the Organisation

	2020	2021	2022
Electricity (MWh)	67,067	53,111	71,666
Electricity (GJ)	241,441	191,199	257,997

The increase in energy consumption in 2022 is due to the increase in regasification activity recorded, contrasted with the decrease in 2021.

The consumption of primary energy needed to guarantee the operating efficiency of the Terminal for plant engineering reasons, is exclusively linked to the use of non-renewable sources: the natural gas (NG) for the operation of the two boilers serving the turbogenerators and, to a lesser extent, the *Marine Gas Oil (MGO)*<sup>41</sup> used in abnormal operating conditions or an emergency.

The NG consumption shows a similar trend to that of electricity production, as the two values are directly linked.

#### Energy produced and consumed within the Organisation

	2020	2021	2022
Natural gas - NG (GJ)	1,446,584	1,326,293	1,599,482
Marine Gas Oil - MGO (GJ)	5,324	3,712	7,107
<b>Total (GJ)</b>	<b>1,451,907</b>	<b>1,330,004</b>	<b>1,606,589</b>

Different is the *MGO* situation, for 2022 the greater use of *MGO* is due to a failure of one of the four steam turbogenerators installed on the Terminal, which led to the use of the diesel generator continuously for about 6 days for the production of electricity in conditions of non-normal operation, in accordance with the *EIA Decree*.



38 In particular: Strategic Environmental Assessment (SEA), Environmental Impact Assessment (EIA), Integrated Environmental Authorisation (IEA).  
39 An Instrument updated annually, that is the means with which the EMAS registered organisation communicates with environmental stakeholders.

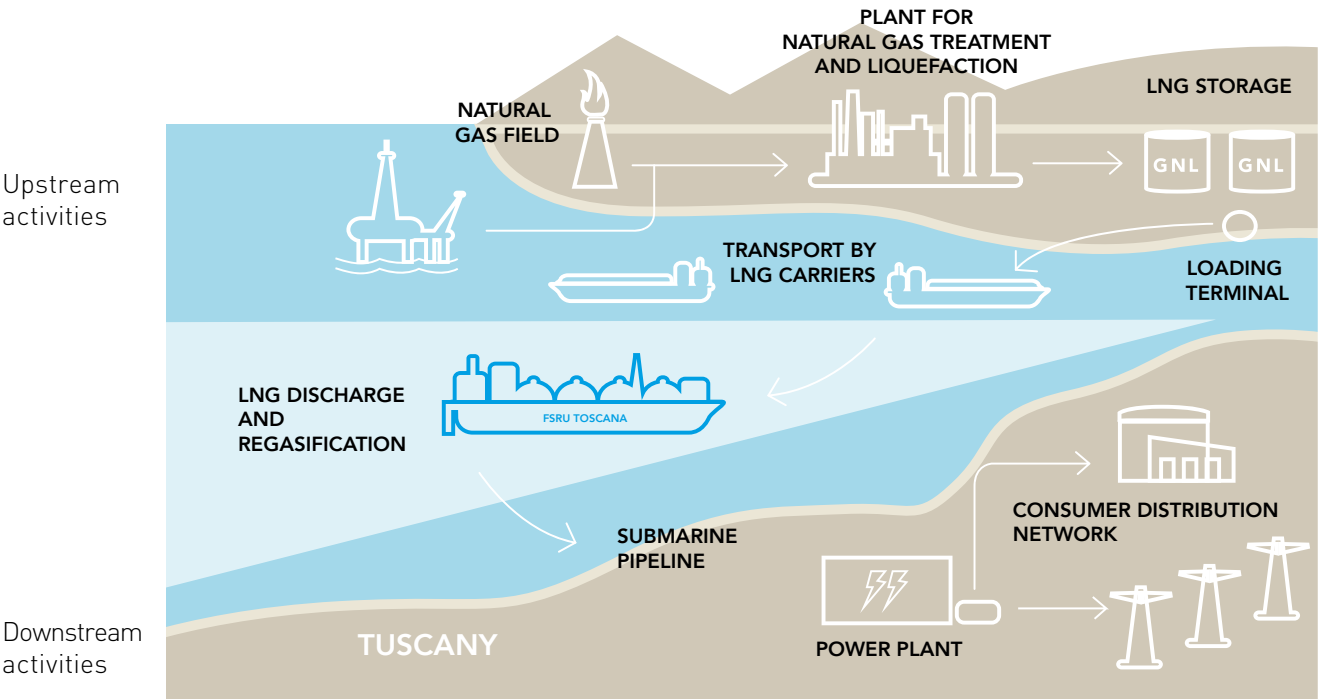
40 The Terminal is not connected to the national grid so all the electricity is totally consumed by itself; this energy is therefore necessary for all the activities connected with the operation of the Terminal.

41 The Marine Gas Oil is used: in the boilers to replace natural gas in abnormal operating conditions, emergencies, maintenance and process transition phases; for the operation of the diesel generator to produce electricity; for the operation of minor utilities in an emergency and/or anomaly.



OLT does not have the possibility of influencing the energy consumption upstream and downstream the organisation, with exception of consumption linked to the services supporting the Terminal's operating efficiency, which are provided by the company Fratelli Neri.

This consumption, relating to the naval vehicles of surveillance around the plant, tugs and assistance to vessels arriving and leaving the Terminal and transport of personnel, arises exclusively from non-renewable sources (*MGO*).



The improvement of *MGO* consumption registered in the 2022 is attributable to the increase in regasification activity and therefore linked to the greater number of *StS operations*, considering the lower consumption made possible by the initiatives adopted to pursue the objective of reducing CO<sub>2</sub> emissions of the guardian vessel.

### Energy consumption outside the organisation

	2020	2021	2022
Marine Gas Oil - MGO (GJ)	94,044	83,276	102,449

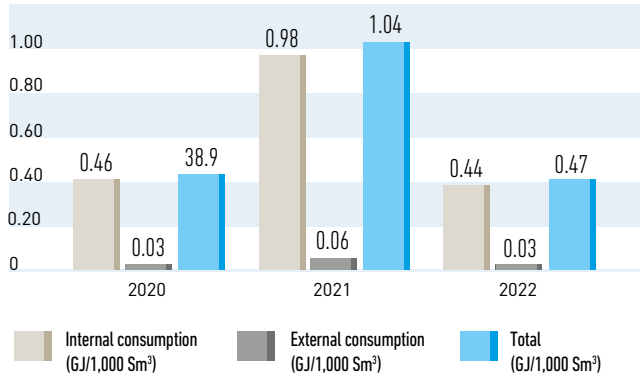
### Energy intensity

The energy intensity index measures the energy consumption in relation to the quantities of regasified natural gas injected into the network. Together with the data for the energy consumed inside and outside the Organisation, this datum contributes to putting the energy efficiency of OLT in context.

The operation of the Terminal in the reference period was influenced by the pandemic scenario, the European energy crisis and the consequent high volatility of the gas market price. After a contraction of the regasification service that began in 2020 and which characterized 2021 more markedly, the Terminal returned to full operation in 2022.

The energy efficiency indices saw a decrease in 2022 compared to 2021, returning to better levels then to 2020.

### Energy intensity



## Reduction of energy consumption

The results of the last energy diagnosis<sup>42</sup> show energy performances on a par with the reference best practices and therefore they did not suggest energy efficiency actions of the plant but only some improvements. In this context, OLT has defined two lines of intervention, whose completion is expected by 2024.

**The replacement the Terminal's lighting units.** The program provides for the replacement, by the first months of 2024, of all the lighting units of the Terminal with magnetic induction lamps, more efficient than the current ones from an energy point of view, able to guarantee a more widespread and uniform lighting and a longer useful life. Starting from 2024, the expected reduction in consumption from this program is equal to 4% of 2019 consumption, considered net of consumption of energy-intensive machines and equal to 0.9% of total annual consumption<sup>43</sup>.

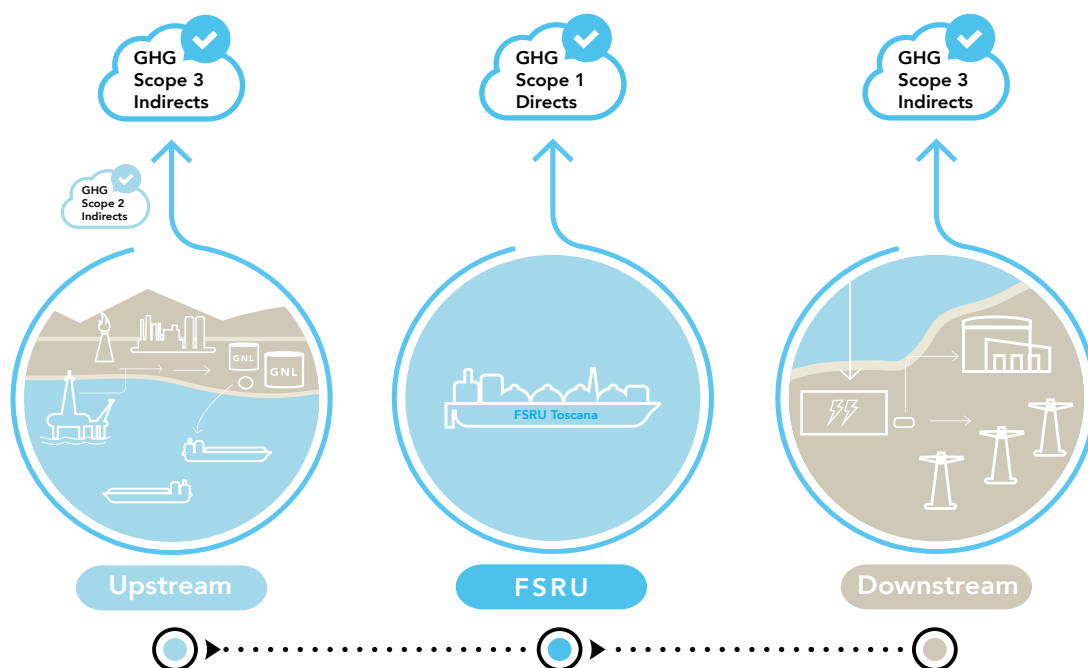
On the 31<sup>st</sup> December 2022, 95% of the external lamps in the bow and the 65% of the external lamps in the stern had been replaced.

**Modification of the design of the seawater pumps.** Sea water pumps, which pump the sea water necessary for the regasification process, are very energy-consuming equipment. The design modification, which is expected to be completed by 2024, aims to increase their energy efficiency by reducing, marginally, the overall energy needs for the same operation. The expected reduction in consumption, starting from 2025 is equal to 3% compared to the consumption of sea water pumps in 2019 and equal to 0.9% compared to total annual consumption<sup>44</sup>.

On 31<sup>st</sup> December 2022, the modifications of 2 of the 6 pumps have been completed.

## 3.1.2 Climate-changing emissions - GHG

The emissions of climate-changing gases (GHG) from OLT are mainly the direct type (Scope 1)<sup>45</sup> and derive from the Terminal's energy consumption connected with the process of generating electricity and, in a residual part, the Terminal's *fugitive emissions* and the emissions conveyed from the Terminal's venting systems (Vents), the use of which, as for *IEA Decree*, is solely provided in case of emergency and particular planned maintenance<sup>46</sup>.



The most widely used standard for calculating greenhouse gas emissions, such as carbon dioxide (CO<sub>2</sub>) or methane (CH<sub>4</sub>), is the GHG Protocol, which divides greenhouse gas emissions into three main categories.

Scope 1: includes "direct" emissions, generated by the activities falling under "the organisational boundaries" of the company.

Scope 2: are indirect emissions caused by the production of electricity, steam or heat produced by third parties, in places other than where it is used, and purchased by the company.

Scope 3: are indirect emissions generated in the upstream and downstream stages as opposed to the company's activity but which in any case can be attributed to it.

The unit of measurement used for accounting the climate-changing emissions is the CO<sub>2</sub>eq, that expresses the impact on global warming of a certain quantity of greenhouse gas compared to the same quantity of carbon dioxide (CO<sub>2</sub>). It is used so that the contributions of different greenhouse gases.

42 Conducted in 2019 under Italian Legislative Decree 102/14 by ISPRA, the entity appointed to perform the energy diagnoses for EMAS registered companies.

43 Reduction of 664 MWh/year compared to annual energy consumption net of consumption of energy-intensive machines (equal to 17,005 MWh) and compared to annual energy consumption of the Terminal (equal to 70,079 MWh), respectively.

44 Reduction of 665 MWh/year compared to the annual energy consumption of the seawater pumps (equal to 23,033 MWh) and compared to the annual energy consumption of the Terminal (equal to 70,079 MWh), respectively.

45 The Scope 1 emission values of 2020 and 2021 have been modified as a different GWP conversion factor of methane has been used in this document (29.8 instead of 28; see methodological note).

46 The Terminal's vent systems were never used for emergency situations in 2021, but only for the planned maintenance of 3 cargo tanks, carried out every 5 years, as required by the applicable regulations. In 2021, 2% of direct emissions of CO<sub>2</sub>eq were made up of CH<sub>4</sub>, and 0.3 and 0.5 in the years 2019 and 2020 respectively.

The emissions linked to the Terminal's energy consumption, mainly deriving from *stationary sources*<sup>47</sup>, are overseen by a continuous monitoring system that ensures compliance with the sector standards and the decrees authorising the plant.

There are no *biogenic emissions* of CO<sub>2</sub> or sources of CO<sub>2</sub>eq, nor are there indirect emissions connected with the procurement of energy (Scope 2).

The emissions of indirect type GHG (Scope 3) regard the consumption of fuels for the vessels serving the Terminal.

### Emissions intensity

The emission intensity rate of GHG defines the environmental impact of OLT in terms of GHG emissions, standardised against the quantities of natural gas introduced into the network. Together with the organisation's total GHG emissions, this contributes to putting its efficiency in context.

Also in this case, considering the high contribution of GHG Scope 1 directly correlated to the production of energy, the data are influenced by the contraction of the Terminal's regasification service recorded in the 2022, compared to the contraction of the 2021, as already noted in relation to the energy intensity index.

### Reduction of climate-changing emissions and offsetting

OLT and its *outsourcers* are committed to reduce emissions into the atmosphere.

Starting from the end of 2020, an initiative was adopted to reduce CO<sub>2</sub> Scope 3 emissions by switching off one of the two engines of the Guardian Vessel, used for patrolling around the Terminal.

Initial estimates predicted a reduction in the fuel consumption of the Guardian Vessel of approximately 134 tons of MGO, corresponding to a GHG reduction of approximately 417 tons of CO<sub>2</sub> equivalent, calculated based on engine characteristics and fuel consumption.

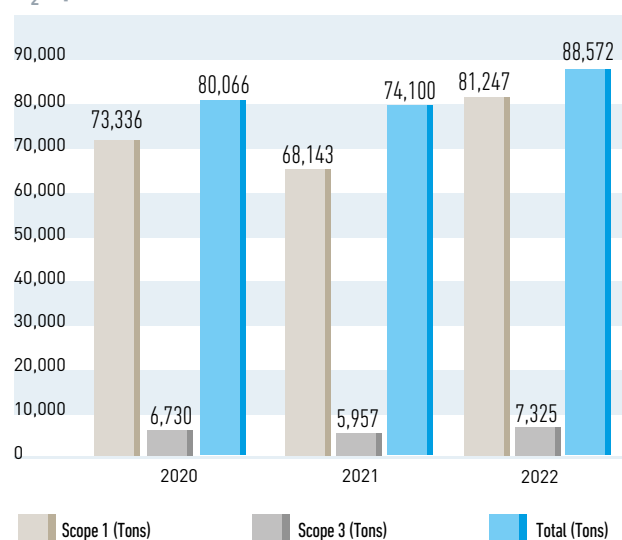
The GHG emissions of the Guardian Vessel in 2022 amounted to 2,153 tons of CO<sub>2</sub>eq, compared to 2,781 tons of CO<sub>2</sub>eq in 2019. Parameterizing the data with the worked hours, in 2022 the initiative made+ possible to avoid 698 tons of CO<sub>2</sub>eq with a reduction in Scope 3 emissions of 24% compared to 2019.

Considering also the reduction of 50 tons of CO<sub>2</sub>eq of *fugitive emissions* (Scope 1) made possible thanks to interventions of the *Leak Detection And Repair (LDAR)*, program, a total of 747 tons of CO<sub>2</sub>eq were avoided in 2022.

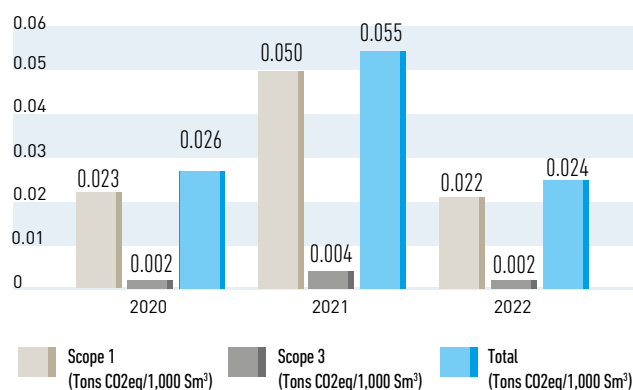
Finally, we must not neglect the initiatives of reforestation and environmental compensation aimed at the recovery of abandoned woods and/or affected by natural disasters and the creation of new urban and / or peri-urban green areas.

In fact, the Kyoto Protocol expressly provides for absorption by forest as a climatic mitigation activity, complementary and supplementary to the reduction of emissions "at source". Using new forestation and the management of existing forests, it is thus possible to increase the stock of carbon immobilized in the vegetable biomass (thanks to chlorophyll photosynthesis) by capturing it instead of it going into the atmosphere in such a way that it cannot perform its climate changing effect in the atmosphere itself. It has been estimated that the reforestation and environmental compensation interventions completed to date by OLT will contribute overall, in 30 years starting from 2021, to the sequestration of over 5,700 tons of CO<sub>2</sub>.

### CO<sub>2</sub>eq emissions



### GHG emissions intensity rate



47 In 2021, 97.9% of the OLT direct emission of CO<sub>2</sub>eq came from stationary sources (99.7% and 99.9% in 2019 and 2020 respectively).

## 3.2 ATTENTION TO BIODIVERSITY

In the context of the environmental policy of the European Union and to guarantee the long-term maintenance of natural habitats and endangered species of flora and fauna or rare ones at community level, the “Nature 2000” ecological network spread over the entire union territory was created, considering the economic, social, cultural and regional requirements. With a total surface area of over 850,000 km<sup>2</sup>, the Nature 2000 network is the largest overall network of protected sites in the world. Established under Directive 92/43/EEC “Habitat”, it consists of Sites of Community Importance (SCI), identified by the member states in accordance with the provisions of the Habitat Directive, which are then designated as Special Conservation Areas (SCA), and also includes Special protection Areas (SPA) set up under Directive 2009/147/EC “Birds” regarding the conservation of wild birds.

The Terminal, and the state property area of 286,551 m<sup>2</sup>, fall inside a Site of Community Importance (SCI) dedicated to the protection of the dolphin species (*Tursiops Truncatus*) classified as “almost endangered” in the Red List of the World Union for the Conservation of Nature (IUCN) and the protected marine area called the “Cetacean Sanctuary”.

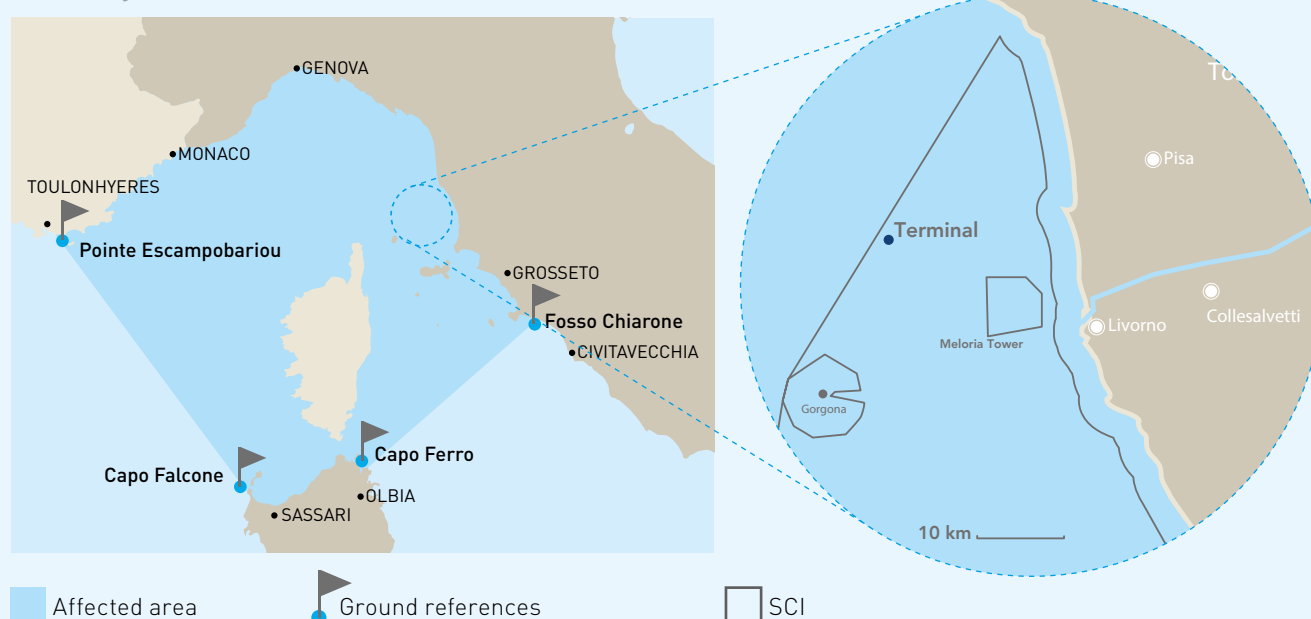


### pSCI “Protection of the *Tursiops Truncatus*” (Nature 2000 code IT5160021)

Officially established with Regional Council Ruling No. 2 of 14<sup>th</sup> January 2020 and included in the updated SCIs list for the Mediterranean biogeographical region, the largest site in the Mediterranean for the protection of the bottle nose dolphin. It extends between the Municipalities of Pietrasanta and Piombino and juts out to include the islands of Gorgona and Capraia and the Meloria skerry for a surface area of over 3,740 square kilometres.

The pSCI is also totally enclosed in the specially protected marine area (Aspim) of 87,500 km<sup>2</sup> called “Cetacean Sanctuary”, which was established with Act 391 of 11<sup>th</sup> October 2001 ratifying an international agreement between France, Italy and the Principality of Monaco. The agreement sets a goal of promoting concerted harmonised action between the three signatory countries for the protection of cetaceans and their habitats against all and any causes of disturbance, pollution, noise, capture, accidental wounding and nuisance.

### Sanctuary marine mammals



The main impacts connected with the presence and operation of the Terminal in a Site of Community Importance, which were considered in all the authorisation procedures for the plant<sup>48</sup>, concern the possible chemical/physical alteration of the water column and the seabed, the possible impacts on the fish or, more generally, the *biotic* ecosystem and the impacts connected with background noise and alteration of the seabed morphology.

The Ministry of the Environment and Protection of the Land and Sea (MATTM)<sup>49</sup> prescribed, with the *EIA Decree*, that a Marine Environment Monitoring Plan be adopted and implemented - around the FSRU Toscana Terminal - for the Terminal's entire operating life<sup>50</sup> plus the year prior to installation and the year after decommissioning. The plan, defined by ISPRA and regularly implemented by specialist bodies, consists of four annual monitoring campaigns suitably verified by the Ministry and ISPRA itself.

**To date, the monitoring activity has shown that there are no interferences caused by the presence of the Terminal and there are no risks for the marine ecosystem caused by its activities.**

## Monitoring Campaigns



### Marine Biodiversity Monitoring

The density and distribution of the organisms that characterize the correct maintenance of the marine biodiversity are assessed, starting from the plankton up to the fish species.



### Bio-acoustic and subsea noise surveys

The noise levels of the running plant are monitored to ensure that the safety thresholds for marine mammals are observed.



### Analysis of hydrological profile and sediments

The monitoring of the temperature, salinity, pH and turbidity parameters of the water column in the area around the Terminal and the physical, chemical, eco-toxicological and microbiological analyses are aimed at detecting any changes in the parameters that can be correlated with the Terminal's activities.



#### Monitoring area A

Analysis on several axis points referring to:

- sediments for analysis of the fauna, chemical/physical and eco-toxicological analyses
- water for chemical/physical and eco-toxicological analyses
- plankton
- CTD (Conductivity, Temperature and Depth) profiles

#### Monitoring area B

Analysis for:

- noise measurement
- sightings of cetaceans and turtles

#### Subsea pipeline

Starting in mid-2021, OLT implemented further measures aimed at minimising the potential impact that can be attributed, in particular, to the risk of collision or disturbance caused by subsea sound emissions to which cetaceans and turtles could be exposed by the transit of vessels in the area surrounding the Terminal. The daytime visual monitoring of the area surrounding the Terminal by the Guardian Vessel, to detect the presence of any cetaceans in case LNG carriers or *Small Scale* LNG carriers (SSLNGc) are mooring falls under these measures. Furthermore, based on the provisions of both the *EIA* and the *IEA Decree*<sup>51</sup>, OLT must prepare an executive decommissioning plan<sup>52</sup> that includes any planning for the monitoring measures to be implemented during the plant decommissioning phases and a description of the measures to be implemented to mitigate the potential environmental impacts associated with the decommissioning activities, with a definition and quantification of the interactions with the various environmental matrices.

<sup>48</sup> OLT has also taken into consideration the new SCI and its implications in the authorisation procedure for the future Small Scale LNG service.

<sup>49</sup> MATTM, now called the Ministry of Environment and Energy Security (MASE).

<sup>50</sup> 20 years starting from 2013, the year operations started.

<sup>51</sup> The authorization for OLT was issued through Decree No. 13 of 12<sup>th</sup> January 2021.

<sup>52</sup> The Company has set aside a total of € 9,000,000 over 20 years, to the provisions for liabilities and charges, to cover the costs of restoring the site where the regasification Terminal was installed, an amount based on the costs forecast for the draft Decommissioning Plan drawn up during the authorisation procedure.

# 3.3 PROTECTION OF THE ENVIRONMENT

## 3.3.1 Air quality

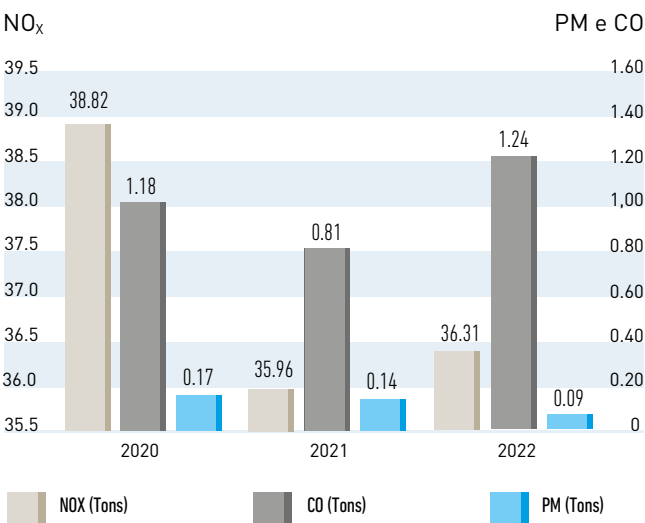
The Terminal is equipped with a continuous Emission Monitoring System able to monitor numerous emissions parameters on each line of the two boilers on board.

The continuously monitored parameters are: *nitrogen oxides* ( $NO_x$ ), *dust* (PM), *carbon monoxide* (CO), *volatile organic compounds* (VOC) and *carbon dioxide* ( $CO_2$ ). Among these, the parameters limited by law are  $NO_x$ , CO and dust.

The processes in the Terminal do not foresee the emission of persistent organic pollutants (POP) or other hazardous atmospheric pollutants (HAP).

As already mentioned, the emissions trend is correlated, even if not directly proportional, to the Terminal's operations.

Significant emissions of the Terminal



The emissions values for the year 2021 were always below the authorised hourly limits<sup>53</sup>.

<sup>53</sup> In 2020 there were two slight over runs, of a magnitude lower than the margins of tolerance allowed by the reference legislation, which concerned respectively, the  $NO_x$  parameter (October) and the CO parameter (December) .





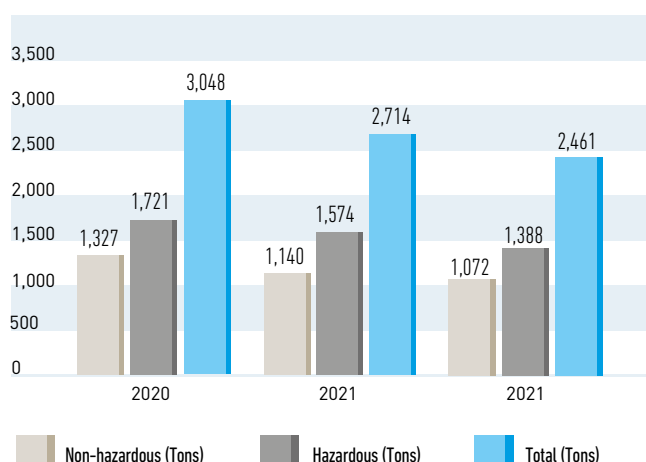
### 3.3.2 Attention in waste management

The plant waste, generated mainly by maintenance activities and activities connected with the life of the personnel on board, can be broken down into Hazardous and Non-Hazardous.

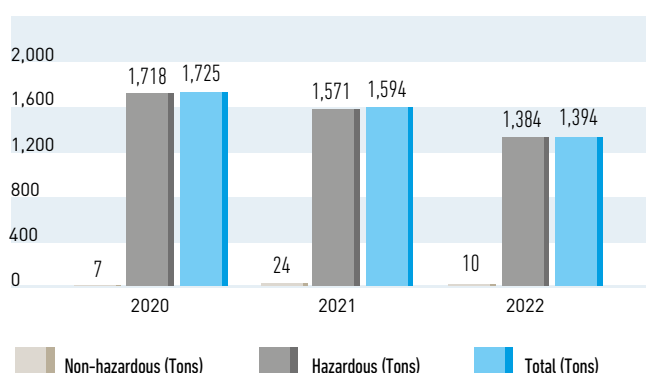
The Hazardous wastes consist mainly of bilge water (about 98%), a mixture of salt water and hydrocarbons in varying proportions collected in the bilge, whilst the non-hazardous wastes mainly (about 83%) consist of sludge deriving from the treatment of *civil waste water*.

With reference to the wastes produced on the Terminal, the proper management of them is guaranteed, in compliance within land and sea regulations<sup>54</sup>, from the time of their production to their transfer to the Port of Livorno licence holder.

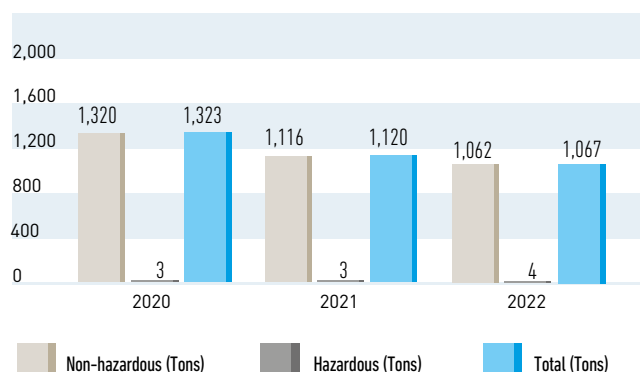
#### Wastes produced on the Terminal



#### Waste not for disposal



#### Waste for disposal



There was a reduction of the quantities of wastes produced, both hazardous and non-hazardous, between 2020 and 2022.

This improvement is even more significant, and indicative of an effective management of the processes generating wastes, if it is considered that the activities connected with the plant engineering modifications for the *Small Scale* LNG service have been carried out between the 2021 and the 2022.

Among the measure taken to prevent the production of wastes, OLT has shown interest in the #ioSonoAmbiente project, of the Ministry of the Environment, for the removal of single-use plastic from workplaces, observing the rules of the 4 R indicated by the Ministry itself: Reduce, Re-use, Recycle, and Recover.

After reaching the “100% plastic free” in 2021 for the offices and for the Terminal in 2022, it is expected to achieve the “100% plastic free” target for vessels supporting the Terminal by 2023.



<sup>54</sup> In the supply chain, OLT is the Plant Manager pursuant to Legislative Decree 152/06 as amended, and AIA and ECOS Decree the waste manager pursuant to MARPOL Convention 73/78, while the company Fratelli Neri carries out the transport of waste ashore in accordance with maritime regulations and the Ordinance of the Port Authority of Livorno No. 25/2018.



Occupational practices and protection of work



Diversity and equal opportunity

Economic impacts

Decommissioning and restoration



Asset integrity and incident management

Health and safety of people



Commitment for the communities





**OLT FOR PEOPLE**

**4**

# 4 OLT FOR PEOPLE

Opening a dialogue and listening and the sense of responsibility to people, be they employees, collaborators, suppliers or local communities: this the approach of OLT in its relations with the parties concerned.

The adoption of a structured process for risk management and the implementation of Management Systems certified by third parties are an effective safeguard for its own employees, personnel who work on behalf of OLT and the local communities against any critical issue of interest for the social, environmental and safety sphere. It should be stated that the FSRU Toscana Terminal, both because of its distance from mainland and the substances used (LNG), does not entail any exposure to harmful substances for the local communities.

The sense of belonging and strong roots in the territory have always seen OLT attentive in grasping the needs of the communities where it operates and committed to supporting social projects.

## 4.1 ATTENTION FOR HUMAN RESOURCES

### 4.1.1 The OLT team

OLT sees human resources as a fundamental element for its growth.

Maintaining adequate levels of employment and a suitable quality of work are therefore considered essential for achieving the company strategies.

As of 31<sup>st</sup> December 2022, OLT has 25 employees, of whom 3 are employed in Rome (all women) and 22 in Livorno (12 men and 10 women)<sup>55</sup>.

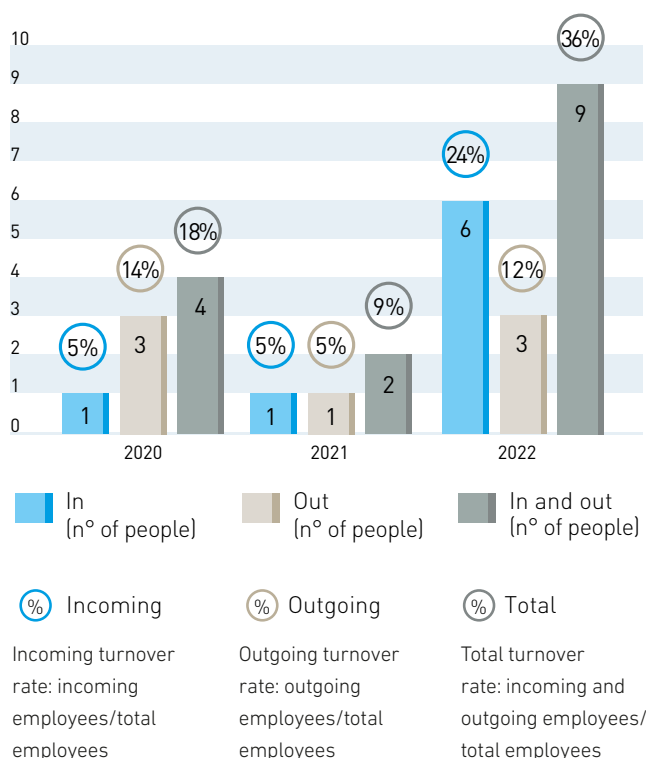
OLT offers a stable continuous work relationship: as of 31<sup>st</sup> December 2022, all the personnel are hired with an open-ended contract except for one resource hired in 2022, at the Rome offices, on a fixed-term contract.

In 2022 there are also two workers with a coordinated and continuous collaboration contract.

The new recruits in the three-year period concerned the youngest age bracket, 18-35 years, for 67% and the remaining 33% concerned the 36-46 age bracket.

Employee turnover over the last three years mainly involved the 30-50 age bracket (63% of hires and 71% of terminations), followed by the under-30 age group (25% of hires and 29% of terminations) and the over-50 age group (12% of hires).

Ins and Outs in OLT and turnover rate



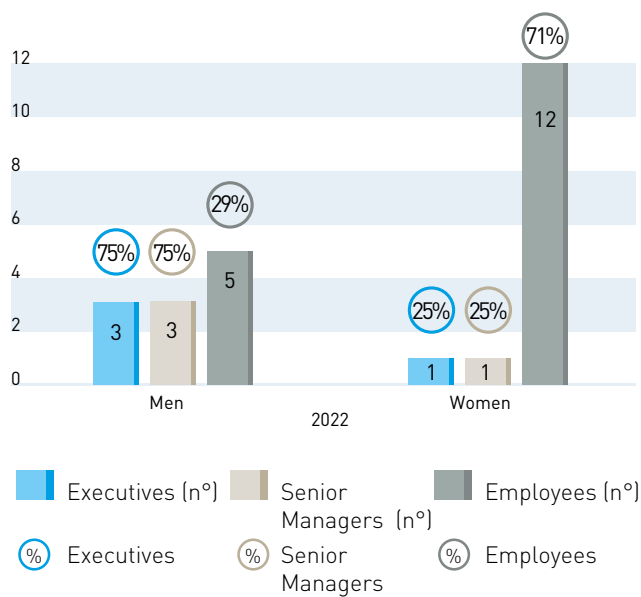
The part-time work concerned three female employees taken on at the Livorno offices. The figure is due to individual choices and the preparedness of the Company to meet the needs of reconciling private life with work expressed by some employees.

<sup>55</sup> The 50% of the managers lives in Livorno.

The relationship between OLT and its employees is regulated by the "National Collective Agreement for the water and gas sector" and the "Industrial Executive Contract" which govern, inter alia, the methods for consulting and negotiation with the workers and the minimum notice for any termination of employment.

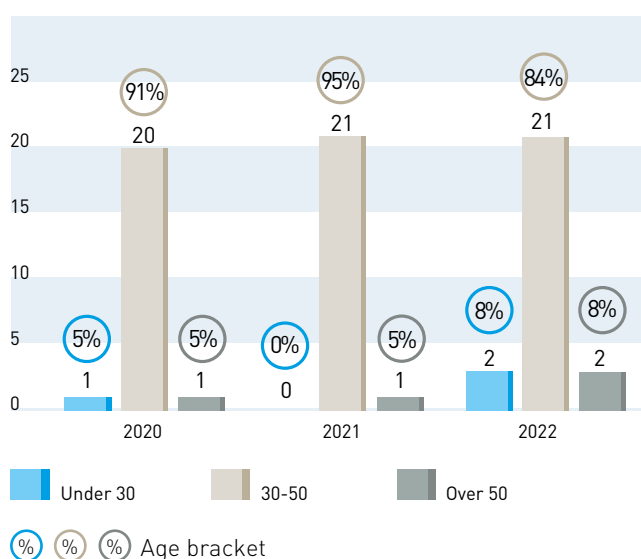
The distribution of the company population by gender and contractual position in 2022 is substantially the same as the previous two-year period for middle management, which is represented by the female gender for 25%. The representation of women in executive position has decreased from 50% to 25% while the female presence between the employees has increased from 68% to 71%. These changes are due both to new hires and to a corporate reorganization in 2022.

### OLT employees by gender and position



The distribution of the company population by age bracket gives the picture of a young company; 84% of the company population is in the 30-50 age bracket.

### Employees by age bracket



In particular, middle managers, in 2022 as in the two previous years, all fall into the age group between 30 and 50 years.

Among executives, there is an increase in the age of the company population; in the 30-50 age group, there is an increase from 100% in the two-year period 2020-2021 to 75% in 2022, while the incidence of executives over the age of 50 rises to 25% (equal to zero in the previous two years).

Among the employees, the 82% of them is in the 30-50 group (88% in 2020 and 94% in 2021). The incidence of employees under the age of 30 increased to 12% (6% in 2020 and 0% in 2021), while the incidence of employees over 50 years of age remained stable at 6%.

The percentage of members of the Board of Directors aged between 30 and 50 stood at 71% (67% in the previous two years) while 14% were in the under-30 age group (0% in the previous two years) and the same percentage were in the over-50 age bracket (33% in the previous two years).

The end-of-career management, by virtue of the personal profile of the employees and the stance towards consolidation of employment by OLT, has not been evaluated up to now and consequently is not a subject of specific company plans, much less the implementation of supplementary pension plans, given the size of the company and the age of the workers.

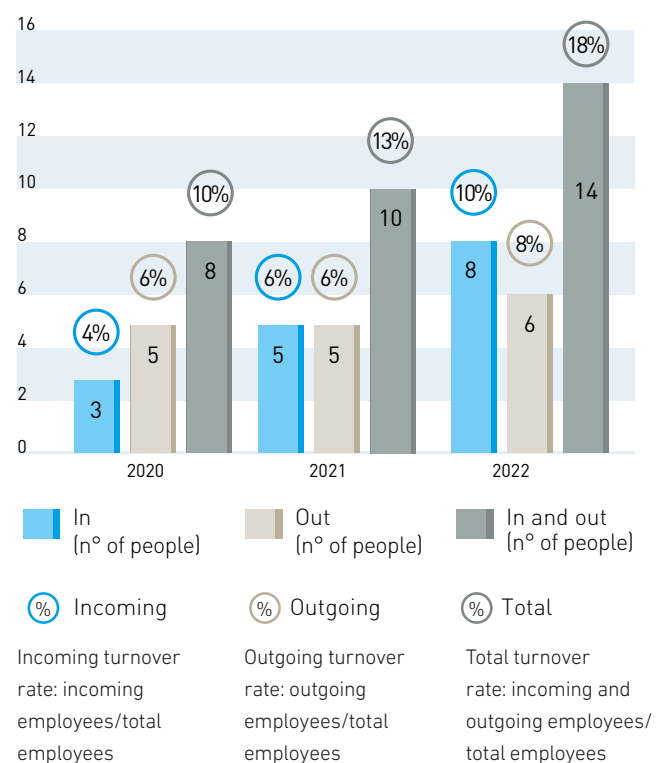
An important part of OLT activity is carried out by ECOS, the Terminal's operator responsible for the management of the Terminal. In 2022, ECOS employed 80 operators, of which 73 operating on board and 7 in their offices.

The ECOS employees are engaged with the National Collective Labour Contract for the shipping industry<sup>66</sup>.

In 2022, ECOS recorded the entry of eight new resources, of which two of them have less than 30 years and six in the 30-50 age bracket.

At the same time six exits affecting all age brackets were recorded, two of which are in the 30-50 age bracket and four are more than 50 years old.

### Ins and Outs in ECOS and turnover rate



The recruitment and terminations in 2022 solely concern male personnel which, even in consideration of the operating sector, i.e. the seafaring one, is the majority of the ECOS workforce.

## 4.1.2 Protection of work and valuing resources

### Protection of work respecting diversity

OLT has improvement in the quality of the work environment, the valuing of diversity, the promotion of equal opportunities and the reconciliation of work and life as one of its priority commitments. The goal is to make a team to add value to the fruit of individual labour and grow the sense of belonging, creating a common social, cultural, professional and intellectual terrain.

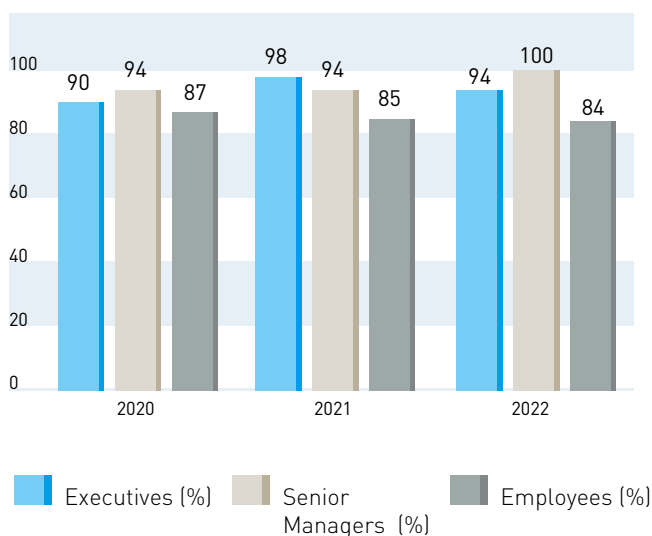
In particular, the Company, by implementing its [Charter of Values](#) and setting up non-discriminatory procedures and practices, promote a culture based on merit and equality and implements these policies for all its people, without distinction of class, origin, race, gender, political convictions or religion.

The risk of discrimination is constantly monitored and checked according to the SA8000 standard. There were no episodes of discrimination and/or employee claims recorded in the three-year period under consideration, by OLT employees or by ECOS workers, OLT's main *outsourcer* and Terminal operator.

Payment in line with the provisions of the National Collective Labour Agreements applied and in any case above the "minimum decent pay" calculated by OLT in implementation of the above-mentioned SA8000 standard is guaranteed for everyone, including the new recruits.

The ratio of the basic pay<sup>57</sup> for women and men by contractual position shows a change due to a corporate reorganization that took place in July 2022.

### Base Salary Women/Base Salary Men

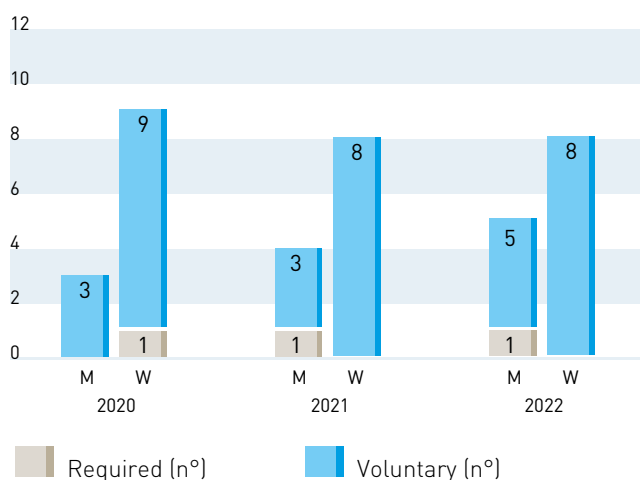


<sup>56</sup> The enrolment contract in the seafaring sector can be stipulated: for a given trip or several trips; fixed term; open-ended. A further possibility is given by continuity regime (CE- Continuity of Employment), which guarantees open-ended rotation of the enrolment contract and permanence of employment even in periods of leave between each embarkation and the next one.

In the context of parental support, OLT promotes a work environment in which employees feel free to make important family choices knowing that their work position is protected.

In the three years under consideration, all those with the right made use of compulsory parental leave. In the same period, no interruption of work, for periods over 3 continuous months, due to optional parental leave were recorded.

### Employees with right to parental leave



Three female employees took instead an optional parental leave for short and fractional periods in 2021 and four female employees in 2022. Among these, one terminated her employment with OLT in 2022.

In order to guarantee a recognition of the work of all the employees, be they permanent or fixed term, some benefits have in any case been made available: meal vouchers, parking and professional and out-of-work accident insurance.

Further benefits are made available to employees on open-ended contracts, based on the level: payment of medical expenses, company car, life insurance and permanent sickness benefit.

The company benefits for the employees are maintained throughout parental leave unless strictly connected with presence in the company.

<sup>57</sup> Basic pay: Minimum fixed amount paid to an employee for the execution of the duties assigned to him/her, excluding any additional pay such as overtime or bonuses.

## Growth of skills and promotion of a professional culture

The development of internal skills is for OLT a fundamental element of the agreement between the company and the individual.

The purpose of training is the creation of value for people guaranteeing the *employability* of the workers and the chance to have the proper skills, for the present and the future, through the development of the human capital in line with the company strategy taking into account the changes in the market, regulations and technologies. The valorisation of skills starts right from the *Onboarding* process; in order to guarantee the effective insertion of new employees in OLT, they are provided with all the useful information for understanding the company organisation, their role, the company values and philosophy. The necessary instruction and training paths are therefore delineated on the basis of their actual professionalism and experience. OLT allocates a budget every year for every worker, which is aimed at growing their skills.

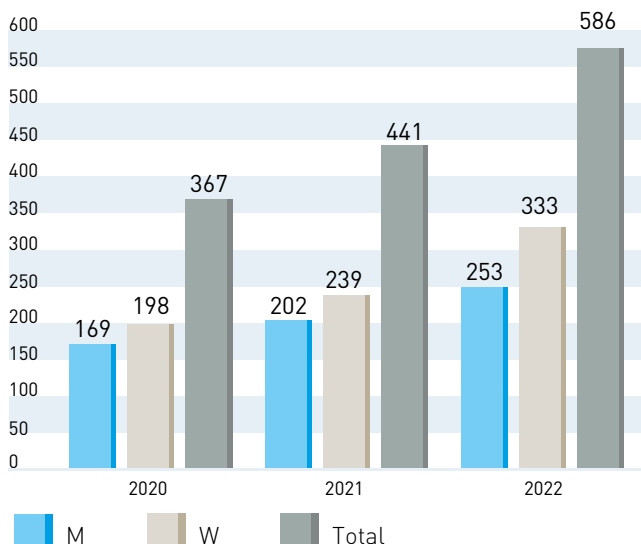
In 2022, the growing trend continues in terms of training provided to employees (586 hours compared to 441 in 2021) and average hours of training per capita (23 compared to 20 in 2021).

In line with the previous year, in 2022 the professional who on average benefited most from the training opportunities is middle management one (26 hours per person). However, the data varies in different years based on the specific training needs.

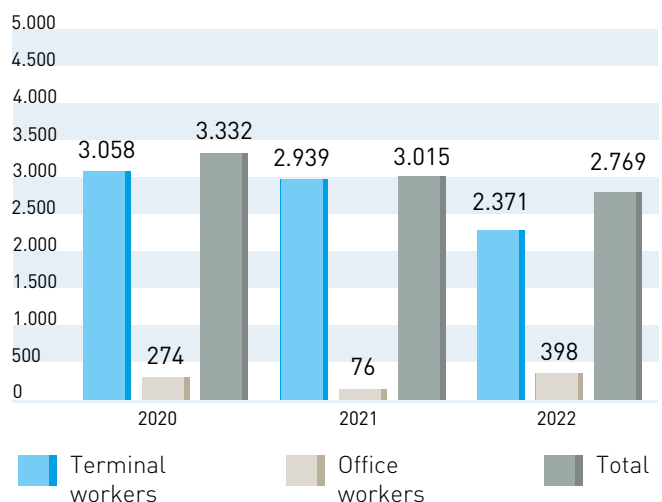
All middle and top managers undergo a periodic formal assessment of their performance and personal development. In 2022 the performance evaluation process involved 100% of middle and top managers.

Continuous training, with particular regard to that of technical and safety nature, is also very important for the Terminal operators, who are called to manage a strategic infrastructure with the utmost skill and attention possible.

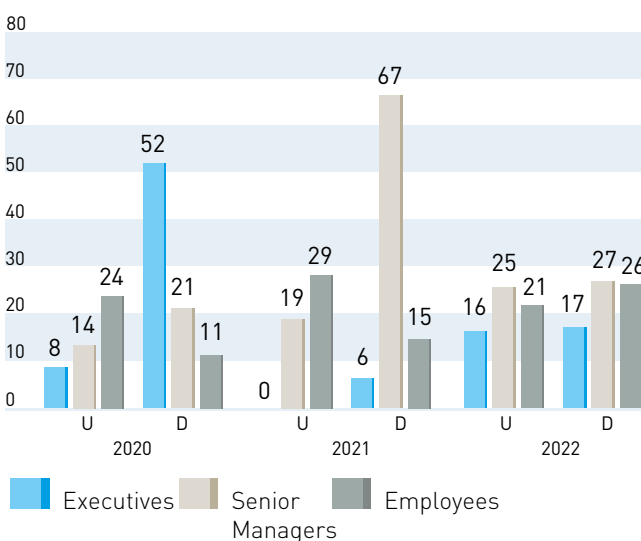
### Hours of training provided by gender



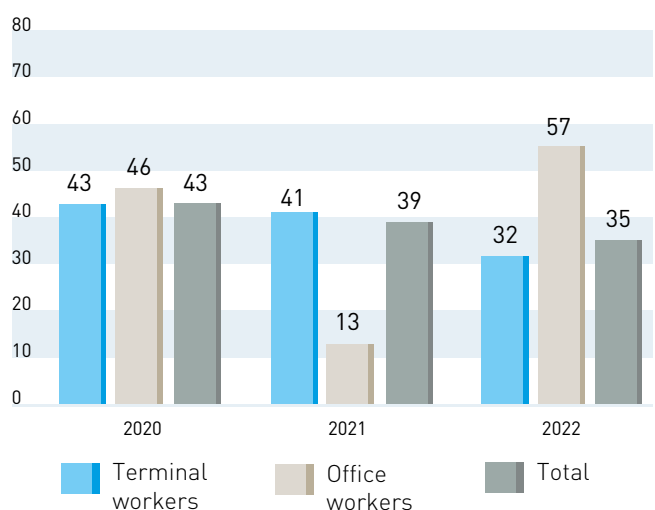
### Hours of training, ECOS personnel



### Average hours of training per head by gender and position



### Average hours of training per head, ECOS personnel



The training of on board personnel is planned and organized according to the Integrated Management System of the Terminal's operator and, besides complying with the *Seveso Directive*, also complies with the "Standards of Training, Certification and Watchkeeping for Seafarers" (STCW) which govern the mandatory training of seafarers. The STCW courses are carried out at authorized centres that issue certificates after tests have been carried out to verify the learning.

OLT and the Terminal's operator deal with evaluating what the training needs are for the Terminal and office personnel; the personnel, through the Workers Safety Representative, can propose new training courses based on work and personal needs, personnel shifts, technological innovation and renewal of the training provided for by the standard.

OLT also involves its employees and *outsourcers* in non-compulsory training programmes.



Between 2020 and 2022, in the context of the project "Leadership in Health and Safety", activities to develop and consolidate the values of health and safety in the Company, falling under one of the 5 areas (White Code) of the CSR project called "l'energia del mare", new activities were developed to involve and among employees of OLT and main *outsourcers*.

In 2020, OLT set out an objective aimed at guaranteeing widespread awareness on the issues of "Diversity&Inclusion" to increase the level of awareness through internal surveys, workshops and training and procedural and governance modifications.

In 2021, in this context, OLT organized an interactive training activity that included the holding of 2 training webinars; the initiative saw the participation of all OLT staff and was extended to the staff of its main *outsourcers*, ECOS and Fratelli Neri.

In 2022, the company launched a program called "Empower our energy" dedicated to the analysis of OLT's organizational structure and the enhancement of personnel that provides for the identification of areas for internal improvement. This project will see its results in 2023 with the issuance of specific projects.

## 4.2 SAFETY AT THE CENTRE OF OLT CULTURE

The culture of safety is an identifying element of OLT, which is committed to the safety of the Terminal and all operations connected with it and the protection of workers, suppliers and local communities.

In order to ensure a safe and healthy work environment and in compliance with the principles of the [HSEQ Policy](#) (Health, Safety, Environment and Quality Policy) and the [MAP Policy](#) (Prevention of Major Accidents Policy), both OLT and the Terminal's operator ECOS have adopted an Integrated Management System that complies with requirements of the *ISO 45001* Standard, UNI 10617<sup>58</sup>, Italian Legislative Decree 105/15 and the *ISM Code*<sup>59</sup>.

These systems guarantee compliance with the applicable workplace health and safety regulations<sup>60</sup> and ensure that appropriate measures are adopted to prevent any accidents and mitigate the possible damage associated with the health and safety of the work activities, protecting both OLT and ECOS personnel and, more generally, all the people that work at the Terminal as well as the plant engineering safety, in consideration of the risks of a major accident present on the Terminal.



### Industrial safety

The plant was built making use of safe and consolidated technologies and is continuously maintained guaranteeing high levels of safety and reliability. All the safety aspects, both at the design and construction phase and in the operating phase, were and still are subject to verification by the competent authorities. It should be remembered that the company, with reference to the activities carried out at the terminal, is considered the *Plant Operator* under Italian Legislative Decree 105/15, and therefore subject to the provisions regarding plants at risk of a major accident.

<sup>58</sup> UNI 10617 defines the requirements for safety management systems in facilities with the danger of a major accident.

<sup>59</sup> ISM Code: International Safety Management Code (Maritime Management System).

<sup>60</sup> For OLT and the ECOS offices, Italian Legislative Decree 81/08 as amended applies, whilst Italian Legislative Decree 271/99 as amended on the health and safety of workers in the maritime sector applies.

In particular, in the current operating phase of the Terminal, OLT and ECOS pursue the culture of prevention putting risk assessment at the basis of their systems and guaranteeing periodic updating in compliance with the applicable regulations. They also implement systematic periodic check programmes which affect all the activities linked to the Terminal, including the activities of other *outsourcers* that provide services for management of the vessels serving the Terminal.

OLT, in its capacity as *Plant Operator*, with reference to the FSRU Toscana Terminal, promotes cooperation with the supervisory bodies and competent authorities to foster knowledge, information exchange and the development of common emergency procedures in compliance with the regulations.

Both internal and external Emergency and Evacuation Plans are defined and emergency drills involving all personnel are included; there are about 150 emergency tests conducted annually on the Terminal with the involvement of both the on board staff and the suppliers present.

From an operational continuity perspective, a crisis team consisting of experts from the company and the *outsourcers* ECOS and Fratelli Neri has been set up to manage any undesired events capable of affecting not just the Terminal but the company itself and the main *outsourcers* linked to it. The task of the team is to restore and coordinate operations if a crisis arises, in accordance with the provisions of a suitable "Crisis Management Plan".

The implementation of monitoring and analysis programmes is guaranteed not just for accidents and injuries, but also for near-misses and anomalies and/or potential accidents. More specifically, depending on the gravity of the event, it is analysed using the "Root Cause Analysis" method in order to identify the most suitable solutions for solving the problems that generated it.

The commitment of OLT on safety issues can be found in the results achieved; in the three years under consideration, there have been no spills of Hazardous substances or major accidents under Italian Legislative Decree 105/15 on the FSRU Toscana Terminal and no deaths have been recorded in OLT personnel or ECOS personnel operating on behalf of OLT.

No accident directly involved OLT personnel between 2020 and 2022.

In ECOS, an accident<sup>61</sup> occurred in 2020 (accident rate, for example the number of accidents out of the total number of hours worked, equal to 8.14), while for Terminal suppliers, in 2021 there was a minor accident involving a worker of an ECOS supplier. No injuries occurred in 2022. As regards the Terminal suppliers, the first accident occurred in 2021 and this concerned a worker of an ECOS supplier.

#### Total accident rate of OLT, ECOS and Terminal suppliers

	2020	2021	2022
n° of accidents out of total number of hours worked	5.9	5.5	0

The attention to the health, as well as the safety, of its employees and collaboration with occupational physicians has prevented industrial diseases from arising. Moreover, in the 2021 ECOS has carried out an awareness campaign for the proper diet for on board personnel that will be replied in the 2023.

A further challenge in the reference period was the fight against the Covid-19 pandemic. OLT invested time, money and resources to adopt all the measures to protect the health and safety of its employees and those of the main *outsourcers*. OLT personnel were able to make use of the smart working mode (currently it is a business practice for two days a week) in order to fight the Covid-19 health emergency, as well as the mitigation measures implemented during work in the office.

With reference to the ECOS personnel, all the appropriate precautionary measures were adopted to contain the virus, both for onshore personnel and personnel on board the Terminal, including all the suppliers. Some of these measures have been maintained through the 2022.

Finally, in the years under consideration OLT received no formal notice for breaches of the law regarding safety issues.

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<sup>61</sup> The same accident led to formal notice to ECOS of an omitted assessment of a risk with the consequent opening and closing of criminal proceedings, which ended with an administrative sanction.

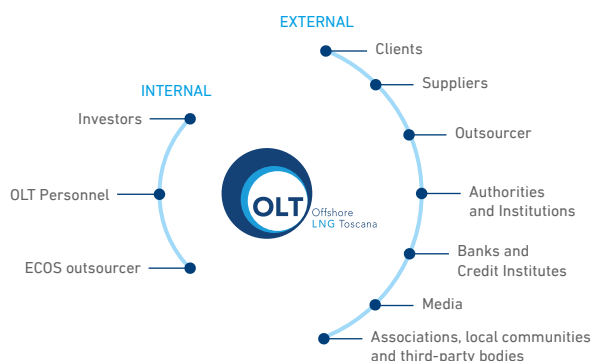


## 4.3 LISTENING, COMMITMENT AND CONSULTATION, INSIDE AND OUTSIDE THE COMPANY

### 4.3.1 Participation and involvement

From a proactive perspective and in line with its corporate policies, OLT carries out ongoing consultation with its stakeholders, both internal and external, with the aim of developing a constructive comparison and two-way exchange.

#### La rete degli Stakeholder



There are numerous initiatives for listening, consultation and involvement with its stakeholders. The tools and channels used are multiple and different according to the interested parties they are addressed to and the type of relationship that ties them to OLT: from involvement in determining the materiality of the issues to account for in the sustainability report, from the disclosure of the *EMAS Environmental Statement* and the organisation of conferences to the activation of commercial and operating channels.

The involvement and participation of employees is guaranteed primarily through the periodic meetings provided for by the regulations of health and safety. Employees also regularly attend company meetings and periodic meetings at the Terminal and the offices, with the right of freedom of association and bargaining and the opportunity to provide any suggestions for company improvement. OLT gives notice of the company decisions suitably in advance in compliance with current legislation and the requirements of the SA8000 standard.

Furthermore, OLT has set up two committees, in compliance with the above-mentioned SA8000 standard, to optimally manage the legal aspects linked to the protection of workers' rights and promote their wellbeing at the workplace:

- **Safety Committee:** consisting of the Workers' Safety Representative, the Prevention and Protection Service Manager and the Workers' SA8000 Representative, its task is to verify and oversee the workers' health and safety requirements under Italian Legislative Decree 81/08;
- **Social Performance Team:** consisting of the Integrated Management System Representative, the Workers' SA8000 Representative and an employee from the HSEQ department, its task is to assess and monitor the company performance with reference to the SA8000 requirements, update the integrated risks assessment on SA8000 issues and draw up an action and improvement plan.



In the context of managing relations with all its stakeholders, OLT has made available channels for requesting information and reporting complaints, also guaranteeing anonymity (e.g. Whistleblowing, SA8000). Reports and complaints, when they arrive, find an adequate response from OLT. It should be stressed that no reports or complaints have been recorded in any context.

The involvement and consultation with the reference local authorities are guaranteed, principally, through the service conference mechanisms provided for in the context of the preliminary investigations for authorisation purposes. The issues of most interest to the communities which are linked to the Terminal operations are addressed in this context. Among these, the assessment of the potential impact of the Terminal on the marine ecosystem and atmospheric emissions are subjects that have aroused much interest from the stakeholders and have been considered in great depth right from the design phase. Authorisation prescriptions for the implementation of specific Monitoring Plans have been provided for in relation to these aspects. In particular, the implementation of the twenty-year Marine Monitoring Plan around the Terminal entails significant linked activities on the territory.

Furthermore, environmental compensation measures in favour of the local communities were planned in agreement with the Municipalities of Livorno, Collesalveti and Pisa during the plant's authorisation process. Some have already been completed.

## Offset works still open in 2022

### Livorno

Contribution to the construction of the "Secche della Meloria" Protected Marine Area Visitor Centre for a value of Euro 400,000 (5% already granted pending definition of the executive project by the Municipal authorities).

### Collesalveti

Contribution to the environmental requalification of the Stagno town centre for a value of Euro 420,000; 85% has already been paid out.

In order to guarantee sector-participated development and ongoing consultation with the entities of interest, OLT has also confirmed its participation, in 2022 as well, in a thick network of associations which make the case, at national and international level, for the needs that OLT considers relevant for its business and the sector it operates in; among these Gas Infrastructure Europe (GIE), which deals with issues regarding European policies for the energy sector in particular.

OLT contributes to these category associations by paying the membership fee provided for in their articles of association, participating actively in the preparation of documents drawn up to present the associations' position and being present at the meetings organised by them<sup>62</sup>.



OLT participates actively in different work groups organised by *Society of International Gas Tanker and Terminal Operators (SIGTTO)* and *Oil Companies International Marine Forum (OCIMF)* and has representatives in the expert committees and groups. In particular:

#### SIGTTO:

- Working Group Reduction of Gas Carrier CO<sub>2</sub> Emissions;
- Working Group Reduction of LNGC Methane Emissions.

#### OCIMF:

- Ship-to-Ship Expert Group;
- Ship-to-Shore Interfaces Expert Group;
- Nautical Expert Group;
- Floating Systems Expert Group.

<sup>62</sup> The CEO of OLT in 2022 was appointed President of the GPC, the Technical Committee of SIGTTO, for a period of 3 years; SIGTTO is the International Association of Gas Carrier and Terminal Operators. Mrs. Venturi, Institutional Relations, Regulation and Commercial Manager of OLT, is a member of the Board of Directors of Assocostieri and of the Gas Emergency Committee chaired by MASE.

OLT is an active part in a series of external initiatives for the progress of the sector and sustainable development and participated in some conferences focused on the role of LNG in the energy transition.

## Initiatives supported in 2022

### **“BFWE - ConferenceGNL”**

international event of ConferenzaGNL, to promote the use of liquefied natural gas as a resource for the energy transition. The 2022 edition, in collaboration with WEC Italia, was held in Bologna (12<sup>th</sup>-14<sup>th</sup> October) and featured OLT speakers at some workshops on the topic.

Ref-E study promoted by Assocostieri, as part of the project **“SSLNG WATCH: The chain of end uses of LNG in Italy - 2022”** for the study and updating of data relating to the market, the chain and the regulations on LNG.

**Gastech 2022**, the largest international event in the world dedicated to the energy industry, in particular the gas industry. OLT speech at the round table **“U.S. - Italy LNG Supply and Infrastructure Cooperation”**.

Forum entitled **“Shipping year zero: the challenge of ecological transition”**, organized by Propeller Livorno.

Online round table entitled **“Infrastrutture strategiche e sicurezza energetica”** organized by Canale Energia.

**“XIV National Conference for Energy Efficiency”**, organized by Amici della Terra; speech by OLT on the topic of the key role of LNG for a sustainable transition of the entire energy and transport sector, thanks to its excellent performance in terms of reducing emissions.

## 4.3.2 The path of social and economic integration with the community

The Company puts the commitment to manage its business in a concretely responsible manner at the centre of its mission. It is precisely in this perspective that OLT has started a path of integration with the community that welcomed it right from its arrival in the territory.

A path also made credible by the good operation of the infrastructure, just as by the creation of shared value and wellbeing for its people. This has contributed to making the Company and its operations reliable. The Company believes that a company can and must be able to develop on the territory, providing its contribution in supporting the local community when achieving some objectives that it has given itself.

OLT participates in the local economy in different forms, starting from the commitment, taken on right from the start, to search for and select personnel possibly locally, as well as the use of local suppliers.

In 2019, the Company presented a Company Social Responsibility project: “l'Energia del Mare – fare con e per il Territorio” (“The energy of the sea - acting with and for the territory”) with aim of giving coherence to its social and economic operations on the territory, consolidating the relationship with the local communities to develop shared social projects, of interest for the territory of Livorno and Pisa and, at the same time, consistent with its company mission.

This project started in 2020 and partly developed in 2021 and 2022, will be brought forward in the years to come.

The project is divided into 5 areas of intervention, which concern a series of contexts where the Company has been called upon to provide a contribution, not only socio-economic but also, for example, in sharing its know-how.



Several initiatives completed in 2022. Following the emergency situation that the community faced in the pandemic and post-pandemic period, OLT decided to focus its resources to support the social sector and the weakest brackets of the local population.



### Reforestation projects on Monte Pisano

With the intention of meeting the social needs of the territory that hosts the Terminal, and in synergy with the Tuscany Region and the community of Bosco del Monte Pisano Onlus, OLT supported operations on the uplands of Monte Pisano, which were seriously damaged by fires in 2018 and 2019. The first project, which saw the planting of over 1350 trees on Montegrande, was inaugurated in June 2021, while a second project, related to Monte Serra (La Croce), is underway, with the planting activity scheduled for spring 2023.

### Urban forestation projects in the Municipalities of Livorno and Pisa

OLT is developing 2 urban forestation projects in the Municipalities of Livorno and Pisa together with the benefit company Arbolia. For the first project, over 1600 plants were bedded out in a periurban area of the municipality of Pisa, with inauguration held at the end of January 2022. In the Municipality of Livorno an urban forest of over 1800 trees was created, the planting activity ended in December 2022. Maintenance activities are now underway on the areas planted in both municipalities.

The urban woodland projects are aimed at promoting concrete action to combat climate change, improve the quality of the area and create green areas for the benefit of the citizens.

### Lions Club Livorno Host

OLT has joined the "PiùBlu" project promoted by the Lions association to safeguard Livorno's sea, participating in the purchase of a compactor to prevent plastic from being dispersed into the sea, a tool for involving people who are encouraged to take actions in favour of the environment, recycling PET bottles and CO<sub>2</sub> reduction. The compactor is scheduled to be installed in 2023.



### Municipality of Livorno

OLT supported, at the request of the Municipality of Livorno, the "Inclusive Social Taxi" project, the activation of a transport service to facilitate travel in the city for people with reduced autonomy, encouraging their participation in cultural, recreational and social events.

### Fondazione Caritas Livorno

OLT made a donation to the Fondazione Caritas Livorno, in support of Ukrainian refugees fleeing the war (health care, school guidance, collection of basic necessities, language courses, recreational activities for minors, psychological accompaniment).

### Assonautica Livorno

Always sensitive to the sea as a resource and the world that revolves around it, the Company has made donations, over the years since 2013, to Assonautica Livorno, specifically to support the Sailing School of the association devoted to young, differently abled people who love the sport. With the contribution of OLT disbursed in 2022, Assonautica has been able to carry out various projects including, for example, the purchase of a new engine for a boat, the preparation of a system of new anchors and catenames for fixing the pier for the transfer of children in wheelchairs and for assisted transfer by boat, the purchase of a defibrillator for assistance and interventions also at sea during regattas and education and training courses at sea.

### Gruppo Sportivo Vigili del Fuoco "C. Tomei" - Rowing Section

OLT bought and donated a boat for the practice of rowing by the section of the Tomei sports group of the Livorno Fire Brigade, dedicated to young people with 'intellectual' disabilities.

### The social dimension of ADM for the Lega del Filo d'Oro

Project promoted by Assocostieri and supported by OLT through a donation in support of the non-profit association "La Lega del Filo d'oro", which supports deafblind and multi-psychosensory disabled people.

### Palliative Care Association Livorno

Non-profit volunteer association, that provides medical and health care services home care, to terminally ill cancer patients and others, and operates in collaboration with "Azienda USL Nordovest Toscana". OLT in 2022 decided to support the association through donating a liberal contribution.

### Arnia People Livorno

Arnia is the first social Innovation company that deals with training, strengthening and enhancing the work skills of young people and adults with autism. On the occasion of Christmas 2022, the autistic children followed by the Arnia association made gifts purchased by OLT.

### Livorno Half Marathon

OLT sponsored the 2022 edition of the Livorno Marathon, financially supporting the organization of the sporting event.



### Livorno Hospital: psychology service for pediatric diabetology

OLT has decided to support the project of implement the multidisciplinary team of the Pediatric diabetology, through the activation of a three-year scholarship (2023/2024/2025) to guarantee the figure of the psychologist within the team. Scholarship activation procedures are currently underway.

### VIP Italia Onlus - Clown therapy

From 2018 OLT has decided to support the VIP Italia Onlus Association that promotes volunteer clown therapy in private and public structures as well as in all those places where there is a situation of physical or mental distress. Also in 2022, the Association VIP Livorno Libecciatì ODV has been engaged in alternative forms of volunteering to their usual activities within organized health facilities, such as places in the city characterized by social hardship, but also primary and secondary schools.

### Porto dei Piccoli Onlus

Since 2013, OLT has supported the Il Porto dei Piccoli Association, a NPO which, through its activities, teaches hospitalised children and their families about the culture of the sea.

### Unicef

Also in 2022, OLT made a donation to UNICEF over the Christmas period through the purchase of electronic Christmas cards to be sent to its mailing list.



### Leadership in Health and Safety

In 2020 the Company joined the "Leadership in Health and Safety" project of the LiHS Foundation, for the development and consolidation of health and safety values within the Organization. The first part of the program took place in 2020, continued in 2021 and ended in 2022 with the realization of the last step entitled "Champions Forum", which saw the involvement of some charismatic figures within the staff of OLT, Ecos and Fratelli Neri, with the aim of further strengthening the values of health and safety in the company.



### Project Scuola2030 - Il Tirreno

Project promoted by the newspaper Il Tirreno, with the aim of creating a virtuous synergy between the schools of Tuscany and the most representative companies of the territory, to bring students closer to the world of work. The project provides for some meetings in secondary schools, whose planning is underway.

# APPENDIX: METHODOLOGICAL NOTE

## A.1 APPROACH TO REPORTING AND QUALITY PRINCIPLES

The Sustainability Report of OLT Offshore LNG Toscana S.p.A. was drawn up in compliance with "GRI Standards" of the *Global Reporting Initiative* (GRI) for the period 1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2022.

For the preparation of the Sustainability Report the industry standard "GRI 11: Oil and Gas Sector 2021" was used, insofar as applicable to its activities, both in the stage of determining the Material Issues and identifying the information to be reported in relation to the issues that were material.

The terms in the text of the document indicated in italics are given in the glossary for a more complete understanding.

The document was drawn up in accordance with the GRI standards:

- **accuracy:** this methodological note shows, insofar as deemed necessary for the type of information, the references to the standards, hypotheses and calculation methods used. The data shown have been rounded to the third decimal point;
- **balance:** the data are presented so that the users of the Report can evaluate the positive and negative performance trends on an annual basis;
- **clarity:** when deemed necessary for a better understanding, a glossary can be consulted and links to external documents have been provided for further consultation. In chapter 1.6 "OLT: today's results and tomorrow's commitments" the contribution to achieving the *SDGs* made possible by the improvement initiatives planned by OLT is highlighted. On the other hand, the correlation between the material issues dealt with in the chapter and the *SDGs* linked to the GRI standards dealt with in the same chapter is shown at the start of every chapter, in accordance with the provisions of the document "Linking the *SDGs* and the GRI Standards" dated May 2022;
- **comparability:** the Report, with particular reference to the more significant aspects or ones that show significant deviations in 2022 compared to the previous two years, shows the data for the 2020-2022 three-year period so that the stakeholders can appreciate the changes in the performance of OLT over time. Where necessary for a better understanding, the data are accompanied by pertinent explanatory comments and an indication of the factors and standard conversion protocols applied for compiling and communicating the information. In the case of revisions concerning information relating to previous reporting periods, the amended information shall be accompanied by a note explaining the reasons for the revision and its effects;
- **completeness:** the contents of this Report deal with the material issues or the environmental, social and economic aspects that are most significant for the activity of OLT;
- **sustainability context:** the performances of OLT are entered in the broadest sustainability and business context including scenario information in relation to the main material issues dealt with;
- **timeliness:** the report takes into consideration events occurring after 31<sup>st</sup> December 2022 which may be significant for the stakeholders' assessment of the performance of OLT. The Report is expected to be published annually no later than the first half-year of the year after the accounting period;
- **verifiability:** the data and information in the Report were collected through a formalised process which involved all the different company structures for the areas in their remit. They were called upon to validate the contents of the document before final approval by the Managing Directors.

As in previous years, OLT has also decided to submit the document for auditing by an independent third party body this year, the declaration which is shown in the annexed "Assurance Statement".

The person to contact for information and suggestions is:  
Veronica Bianchi – Environmental and Sustainability Engineer  
E-mail: [sostenibilita@oltoffshore.it](mailto:sostenibilita@oltoffshore.it)

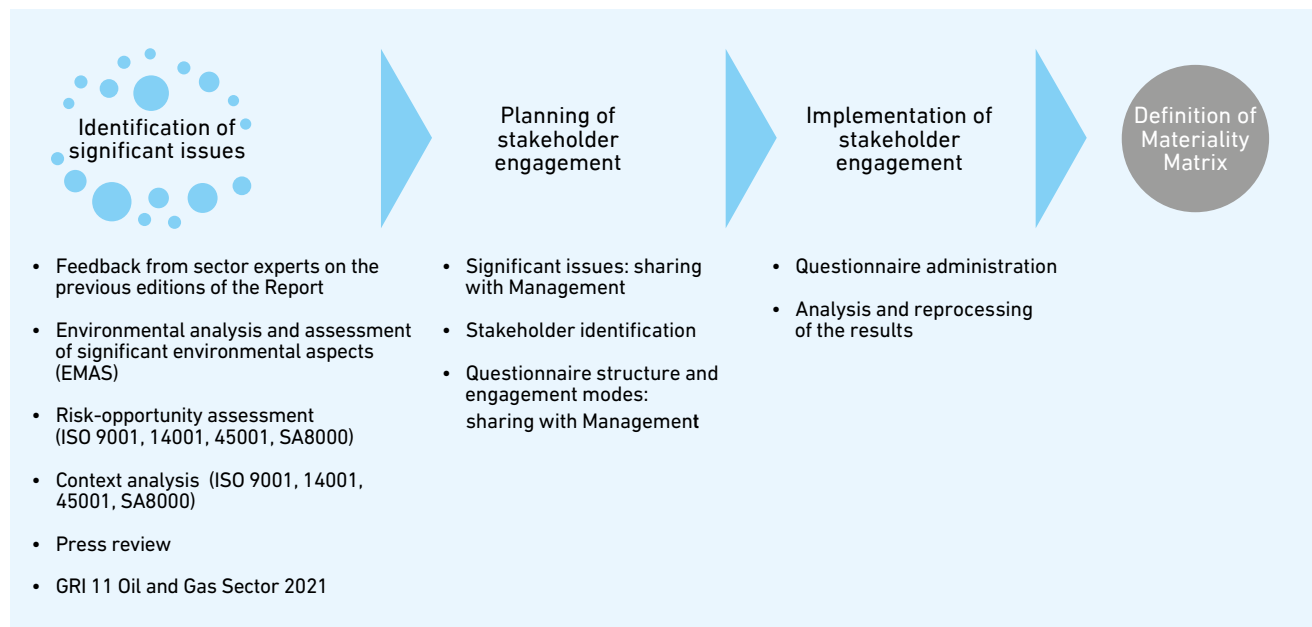


## A.2 MATERIALITY ANALYSIS

The materiality analysis is the tool through which OLT annually defines and reviews the universe of significant issues and the list of material issues on which to concentrate the reporting.

In 2021, the Company updated the materiality analysis to ensure consistency with the provisions of the new Universal Standards and the evolution of the reference context.

The different phases of the updating process for the materiality analysis and the results have been approved by the Managing Directors.



The issues identified as significant by OLT were put to the attention of a representative sample of stakeholders<sup>63</sup> in order to gather information useful for determining their materiality.

### Significant issues

GOVERNANCE	MARKET	ENVIRONMENT	PEOPLE
<ul style="list-style-type: none"> <li>• Ethics and integrity - compliance, corruption, competition</li> <li>• Ethics and integrity - financial flows with public administration and lobbying</li> <li>• Approach to risk management</li> </ul>	<ul style="list-style-type: none"> <li>• LNG market and energy transition</li> <li>• Economic impacts</li> <li>• Quality of the Service</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental protection air quality</li> <li>• Environmental protection energy consumption</li> <li>• Environmental protection water resource</li> <li>• Environmental protection waste management</li> <li>• Rights on the land and resources</li> <li>• Effects on biodiversity</li> <li>• Fight against climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Diversity and equal opportunity</li> <li>• Commitment for the communities</li> <li>• Health and safety for people</li> <li>• Asset integrity and incident management</li> <li>• Occupational practices and protection of work</li> <li>• Security and conflict management</li> <li>• Decommissioning and restoration</li> </ul>

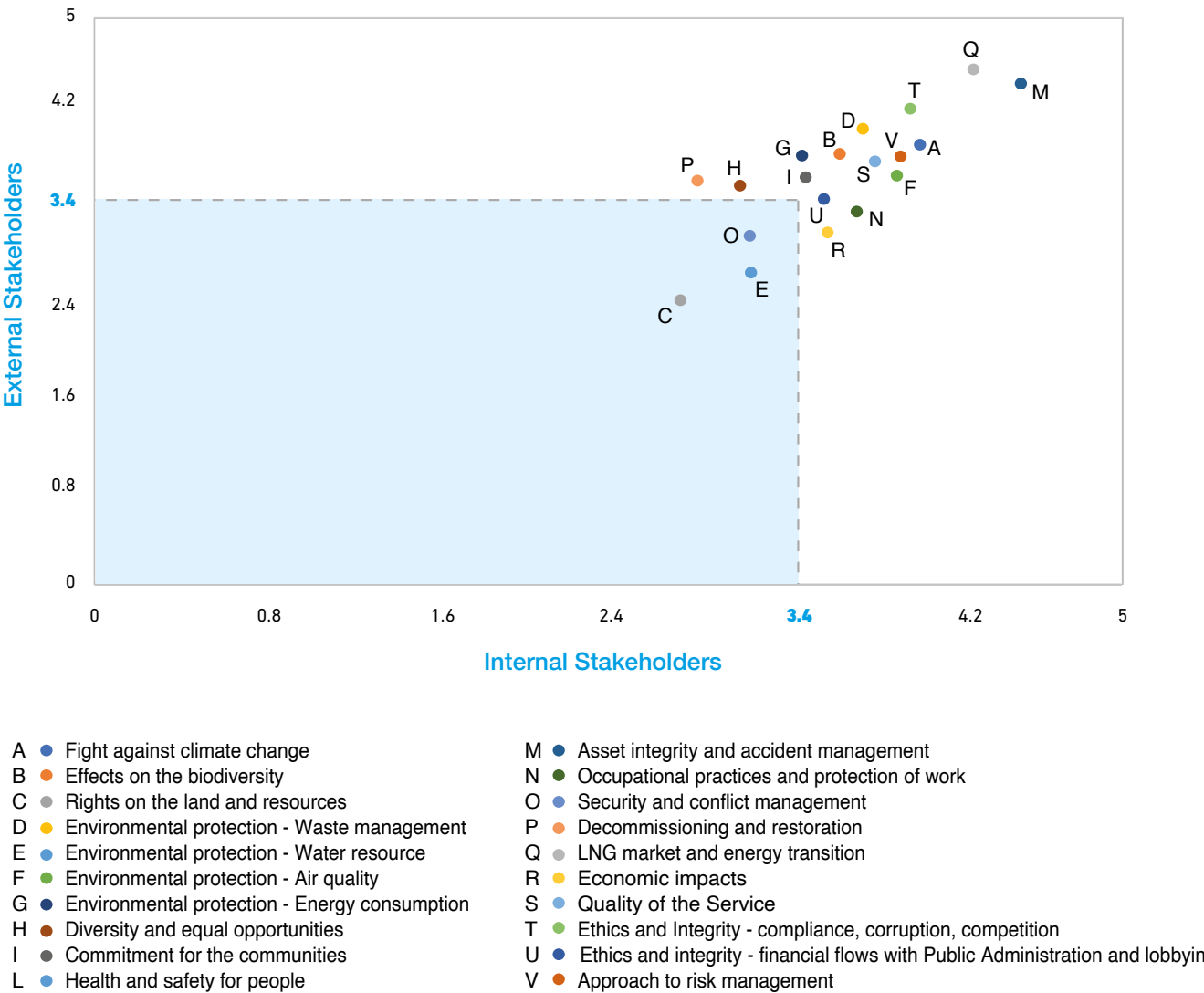
In particular, the stakeholders were called upon to assess the significance, also in terms of respect for human rights, of the 20 issues identified by OLT, giving a score to each of them on a scale of between 1 (barely significant) and 5 (extremely significant).

<sup>63</sup> In the scope of the context analysis provided for by the Integrated Management System and in compliance with the reference ISO standards, OLT has identified 9 categories of interested parties: Investors, Customers, Employees, Outsourcers, Suppliers, Associations, Banks and Credit Institutions, Control Authorities, Media. In the stakeholder engagement process carried out in 2021 to update the Materiality Analysis, the Control Authorities and the Media were not directly involved. For the first, it was considered that the materiality assessment could be inferred from the authorisation orders of which OLT is the holder. On the other hand, with reference to the media, it was considered that reference could be made to the analysis of the press review conducted in the material issue identification phase.



The results of the engagement activity allowed the material issues to be identified for accounting purposes as those issues which, based on the assessment of the internal and external stakeholders consulted, were positioned on values above 3.4.

### Material issues



Even in consideration of the changed international scenario related to the gas market, the material themes for 2021 are confirmed also for the 2022.

If anyone interested in further information on the methods adopted by OLT in the management of water resources, an issue that is not material, can refer to the [Environmental Statement](#).

Material Issues 2021	Description of the Material Issues
Quality of the Service	Ability to ensure a safe, efficient and reliable service over time, in compliance with the principles of competition and equal treatment and access to infrastructures.
Ethics and integrity - financial flows with Public Administration and lobbying	Transparency regarding financial flows with the Public Administration and participation in the development of public policies.
Decommissioning and restoration	Approach to the management of issues related to the decommissioning of the Terminal in terms of impacts at the level of the local community and workers.
LNG market and energy transition	Strategy in relation to the transition to a low-carbon economy considering the LNG market.
Fight against climate change	Management of GHG emissions produced directly by the Terminal or indirectly by the support services of the Terminal itself and strategies for the future.
Environmental protection – Air quality	Management of emissions into the atmosphere of the Terminal and monitoring systems.
Environmental protection - Energy consumption	Management of energy consumption related to the Terminal and improvement programs.
Environmental protection - Waste management	Management of waste produced by the Terminal and control devices.
Effects on the biodiversity	Management of activities in compliance with the principle of biodiversity protection, with reference to the marine environment, and monitoring systems.
Equal opportunities and equal pay policies	Contribution to the dissemination of an inclusive corporate culture, oriented to the enhancement of diversity and the fight against discrimination.
Occupational practices and protection of work	OLT's approach to job creation by ensuring employment conditions that respect the principles of human rights and fundamental rights at work.
Health and safety for people	OLT's approach to ensuring safe and healthy working conditions.
Asset health and incident management	Approach adopted by OLT to ensure the prevention of accidents related to the operation of the plants.
Commitment to communities	OLT's contribution to the social and cultural development of the host community.
Economic impacts	Local, national and global economic impacts related to OLT's activities.
Ethics and integrity - compliance, corruption, competition	Control mechanisms aimed at ensuring the conduct of business with integrity, transparency and legality, promoting ethically correct behavior and in compliance with current legislation.
Approach to risk management	Approach to identifying, analyzing and managing risks as a contribution to the protection and growth of business value by preventing or minimizing adverse effects and ensuring effective resource allocation and optimization of operational efficiency.

## A.3 REPORTING SCOPE

The reporting scope varies according to the significance of the issues. In particular:

- only the environmental aspects regarding the Terminal are considered for the environmental issues as the environmental aspects connected with the office activities are considered negligible;
- with reference to the information linked to personnel management, in particular for accidents, training and contracts applied, the boundary is extended to include ECOS, the main *outsourcer* of OLT and Terminal's operator;
- for issues related to governance and ones of an economic nature, OLT is considered as the company in its entirety, along the lines of the Financial Statements.

## A.4 STANDARDS, HYPOTHESES AND CALCULATION METHODS USED

### Energy consumption

The data for the energy consumed within the Organisation only takes into account the electricity consumption at the Terminal. The electricity consumption linked to the offices for lighting and heating is in fact considered negligible compared to the consumption of the Terminal (< 1%).

Consumption related to business travel and employee commuting is also negligible, and therefore excluded from reporting.

The data relating to the total Electricity produced are collected by fiscal meters in MWh and converted into GJ according to the relationship 1 MWh = 3.6 GJ.

The data for the consumption of natural gas derive from the plant meters (gas chromatograph and flow meters) which provide the annual accumulated value in GJ based on the *Lower Calorific Value* (LCV) of the NG metered.

The data for the consumption of MGO are shown in tons and converted into GJ using the LCV value of 42.873 GJ/Ton (source ISPRA: UNFCCC national inventory - table of standard national parameter - coefficients used for the inventory of CO<sub>2</sub> emissions in the UNFCCC national inventory - average values for the years 2018-2020).

The values expressed in GJ of MGO consumption by the naval vessels used by the Terminal operational support services are a re-elaboration of the data provided in tons by the *outsourcer* Società Fratelli Neri.

### Climate-changing emissions

In compliance with framework 2 of the *Oil & Gas Methane Partnership* (OGMP), the following were included in the calculation of the direct CO<sub>2</sub> emissions:

- the values for the CO<sub>2</sub> emitted by the fumes from the boilers and the minor utilities, which represent the main contribution, calculated according to the methodology provided by the *Emission Trading System*;
- the *fugitive emissions* calculated in accordance with *IEA Decree* for the Terminal and following the following reference standards: UNI EN 15446, EPA 453/R95, EPA Method 21, ISPRA protocol nf 0018712 as amended;
- the vent emissions, for example conveyed emissions emitted by the Terminal's venting system through emergency or maintenance/anomaly, calculated on the basis of the plant's operating parameters in compliance with the *IEA Decree*;
- the pneumatic emissions from gas chromatograph vents (very small emissions) calculated taking into consideration the design and hours of use;
- the emissions deriving from unburnt boiler fuel, calculated on the basis of direct measurement of the VOC in the continuous monitoring system.

The 100 years *Global Warming Potential* (GWP) values used for converting CO<sub>2</sub> and CH<sub>4</sub> emissions into CO<sub>2</sub>eq are respectively CO<sub>2</sub> = 1; CH<sub>4</sub> = 28 (Source: Vth IPPC Report - GHG Protocol).

The indirect CO<sub>2</sub>eq emissions are calculated on the basis of the characteristics of the vessels and the fuel consumption.

### Air quality

Emission factors were not used to obtain data for the NO<sub>x</sub>, CO and dust, but reference is made to the data measured at the stack. The values are calculated by adding up the total contributions of the two boilers in all operating conditions - normal operating conditions (i.e. burning NG in the boiler), non-normal operating conditions (i.e. burning MGO in boiler) and transits (boilers with load below the technical minimum or in dual fuel condition, meaning that there is a simultaneous use of natural Gas and MGO).

### The OLT Team

The incoming Turnover Rate has been calculated as follows: entered the period/consistency end of period\*100.

Outbound turnover was calculated as follows: exited in the period/consistency end of period\*100.

The total turnover was calculated as follows: entered + exited in the period/consistency at the end of the period\*100.

### The protection of work while respecting diversity

"Parental leave" means:

- compulsory maternity/paternity, for example leave with a period of compulsory abstention;
- optional parental leave, including:
  - o the extension of compulsory maternity;
  - o optional parental leave taken within the age of 12 of the child.

Among those entitled to optional parental leave are considered employees with children under the age of 12 with the exception of those already covered by compulsory parental leave.

### Safety at the heart of OLT's culture

For the determination of the Accident Rate in ECOS, reference is made to the recordable accident rate calculated as the ratio between the number of recordable occupational accidents of ECOS and the number of hours worked by ECOS on the parametrized Terminal per 1 million hours worked.

For the determination of the "Total accident rate of OLT, ECOS and Terminal suppliers" reference is made to the recordable work accident rate calculated by adding the number of recordable work accidents of OLT, ECOS and Terminal suppliers and comparing it with the number of work of employees of the same subjects.



## A.5 GRI CONTENT INDEX

The Sustainability Report of OLT Offshore LNG Toscana S.p.A. has been prepared following the “GRI Standards” of the Global Reporting Initiative (GRI) for the period 1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2022

Reporting principles 2021 (GRI 1)

Applicable industry standards: Oil and Gas sector 2021 (GRI 11)

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>GENERAL INFORMATION</b>				
<b>The organization and its reporting practices</b>				
	2-1 Organisation details	1.1 Who is OLT		
	2-2 Entities included in the organization's Sustainability Report	A.3 Reporting scope		
	2-3 Reporting Period, frequency and point of contact	A.1 Approach to reporting and quality principles		
	2-4 Review of information	3.1.2 Climate-changing emissions - GHG 3.3.1 Air quality A.1 Approach to reporting and quality principles		
	2-5 External Assurance	A.1 Approach to reporting and quality principles Statement of assurance		
	2-6 Activity, value chain and business relations	1.2 Governance e organisational structure 2.3 The Services offered 2.3.1 The Regasification Service 2.3.2 The emergency services set up by MASE 2.3.3 The Small Scale LNG Service 2.5.2 Partnership with suppliers		
<b>Activity and employees</b>				
	2-7 Employees	4.1.1 The OLT team		
	2-8 Non-Employees	4.1.1 The OLT team		
<b>Governance</b>				
<b>GRI 2: General Information 2021</b>	2-9 Structure and composition of the governance	1.2 Governance and organisational structure 4.3.1 Participation and involvement		
	2-10 Assignment and selection of the biggest governance body	1.2 Governance and organisational structure		
	2-11 Chairman of the highest governing body	1.2 Governance and organisational structure		
	2-12 Role of the highest governance body in overseeing impact management	1.2 Governance and organisational structure 1.3 The fixed points of OLT A.1 Approach to reporting and quality principles A.2 Materiality Analysis		
	2-13 Delegation of responsibility to manage impacts	1.2 Governance and organisational structure		
	2-14 Role of the highest governance body in sustainability reporting	A.1 Approach to reporting and quality principles A.2 Materiality analysis		
	2-15 Conflicts of interest	1.2 Governance and organisational structure		
	2-16 Communication of critical issues	1.3 The fixed points of OLT 4.3.1 Participation and involvement		
	2-17 Collective knowledge of the highest governing body	1.2 Governance and organisational structure 1.3 The fixed points of OLT		
	2-18 Performance evaluation of the highest governing body	1.2 Governance and organisational structure		
	2-19 Remuneration policies	1.2 Governance and organisational structure		
	2-20 Remuneration determination process	1.2 Governance and organisational structure 4.1.2 Protection of work and valuing resources		
	2-21 Rate of total annual earnings		The indicator cannot be published for reasons of confidentiality. Given the small number of employees, it would provide information potentially attributable to individual employees.	

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>GENERAL INFORMATION</b>				
<b>Strategy, policies and practices</b>				
	2-22 Sustainable Development Strategy Statement	Letter to the Stakeholder 1.6 OLT: today's results and tomorrow's commitments		
	2-23 Policy and commitments	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations		
	2-24 Political integration and commitments	1.3 The fixed points of OLT		
	2-25 Processes to remedy negative impacts	1.3 The fixed points of OLT 2.4 The quality of the service offered 4.3.1 Participation and involvement		
	2-26 Mechanisms for seeking advice and reporting concerns	1.3 The fixed points of OLT 4.3.1 Participation and involvement		
	2-27 Compliance with laws and regulations	1.4 Compliance with laws and regulations 4.2 Safety at the centre of OLT culture		
	2-28 Participation in associations	4.3.1 Participation and involvement		
<b>Stakeholder engagement</b>				
	2-29 Stakeholder engagement approach	2.2 Increase of the Terminal regasification capacity 2.4 The quality of the service offered 4.3.1 Participation and involvement A.2 Materiality analysis		
	2-30 Collective bargaining agreements	4.1.1 The OLT's team		
<b>MATERIAL THEMES</b>				
<b>GRI 3: Material Themes 2021</b>	3-1 Processes of determining material issues	4.3.1 Participation and involvement A.2 Materiality analysis		
	3-2 List of material themes	A.2 Materiality analysis		
<b>Quality of service</b>		<b>Ability to ensure a safe, efficient and reliable service over time, in compliance with the principles of competition and equal treatment and access to infrastructures.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT:today's results and tomorrow's commitments 2.3 The Services offered 2.3.1 The Regasification Service 2.3.2 The emergency services set up by MASE 2.3.3 The Small Scale LNG Service 2.4 The quality of the service offered		
<b>GRI 418: Customer Privacy 2016</b>	418-1 Proven Complaints Regarding Customer Privacy Violations and Loss of Customer Data	2.4 The quality of the service offered		
<b>Eiticity and integrity - financial flows with Public Administration and lobbying</b>		<b>Transparency regarding financial flows with the Public Administration and participation in the development of public policies.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 2.5.1 Our contribution to growth 4.3.1 Participation and involvement		11.21.1 11.22.1
<b>GRI 201: Economic Performance 2016</b>	201-1 Economic value directly generated and distributed	2.5.1 Our contribution to growth		11.21.2
	201-4 Financial assistance received from the government	2.5.1 Our contribution to growth		11.21.3

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>GRI 207: Taxation 2019</b>	207-1 Approach to taxation	2.5.1 Our contribution to growth		11.21.4
	207-2 Governance relativa alle imposte, controllo e gestione del rischio	1.5 Risk management 2.5.1 Our contribution to growth		11.21.5
	207-3 Stakeholder engagement and management of tax-related concerns	1.5 Risk management 2.5.1 Our contribution to growth		11.21.6
	207-4 Reporting by Country	2.5.1 Our contribution to growth	207-4 Not applicable: OLT's only tax residence is Italy	11.21.7
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	2.5.1 Our contribution to growth		11.22.2
<b>GRI 11: Oil and Gas Sector 2021</b>	11.21 Payments to Governments		11.21.8 Gas purchased by the State or from third parties appointed by the State Not applicable: OLT offers a service, does not buy or sell gas	11.21.8
<b>Decommissioning and restoration</b>		<b>Approach to the management of issues related to the decommissioning of the Terminal in terms of impacts at the level of the local community and workers.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 3.2 Attention to biodiversity 4.1.1 The OLT team 4.3.1 Participation and involvement		11.7.1
<b>GRI 402: Work and Report Management 2016</b>	402-1 Minimum notice periods regarding operational changes	4.1.1 The OLT team 4.3.1 Participation and involvement		11.7.2
<b>GRI 404: Training and Education 2016</b>	404-2 Employee Upskilling and Transition Assistance Programs	4.1.2 Protection of work and valuing resources		11.7.3
<b>GRI 11: Oil and Gas Sector 2021</b>	11.7 Closure and rehabilitation	3.2 Attention to biodiversity	11.7.4 Closed operational sites, being closed, with decommissioning plans in place; 11.7.5 Disused structures left on site and justification Not applicable: OLT has a single operational site in operation and has no brownfield sites	11.7.4 11.7.5 11.7.6
<b>LNG market and energy transition</b>		<b>Strategy in relation to the transition to a low-carbon economy considering the LNG market.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	Letter to the Stakeholders 1.3 The fixed points of OLT 1.6 OLT: today's results and tomorrow's commitments 2.1 The role of the LNG and initiatives to deal with the emergency in gas markets 2.2 Increase of the Terminal regasification capacity 2.3 The Services offered 2.3.3 The Small Scale LNG Service Chapter 3 - OLT FOR THE ENVIRONMENT 4.3.1 Participation and involvement		11.2.1
<b>GRI 203: Indirect economic impacts 2016</b>	203-1 Investments in infrastructure and supported services	2.2.3 The Small Scale LNG Service		11.14.4
	203-2 Significant indirect economic impacts	2.2.1 The role of the LNG and initiatives to deal with the emergency in gas markets 2.2 Increase of the Terminal regasification capacity 2.3.3 The Small Scale LNG Service 2.5.1 Our contribution to growth		11.14.5
<b>GRI 11: Oil and Gas Sector 2021</b>	11.2 Climate adaptation, resilience and transition	4.3.1 Participation and involvement		11.2.4



GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>Material Themes</b>				
<b>Combating climate change</b>		<b>Management of GHG emissions produced directly by the Terminal or indirectly by the support services of the Terminal itself and strategies for the future.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	Letter to the Stakeholders		11.1.1
		1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT: today's results and tomorrow's commitments 2.1 The role of the LNG and initiatives to deal with the emergency in gas markets 2.3.3 The Small Scale LNG Service Chapter 3 - OLT FOR THE ENVIRONMENT 3.1.2 Climate-changing emissions - GHG 4.3.1 Participation and involvement		11.2.1
<b>GRI 201: Economic Performance 2016</b>	201-2 Financial implications and other risks and opportunities arising from climate change	1.5 Risk management		11.2.1
		1.6 OLT: today's results and tomorrow's commitments		11.2.2
		2.3.3 The Small Scale LNG Service		
<b>GRI 305: Emissions 2016</b>	305-1 Direct GHG emissions (Scope 1)	3.1.2 Climate-changing emissions - GHG A.4 Standards, hypotheses and calculation methods used		11.1.5 11.2.3
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	3.1.2 Climate-changing emissions - GHG		11.1.6 11.2.3
	305-3 Other indirect GHG emissions (Scope 3)	3.1.2 Climate-changing emissions - GHG A.4 Standards, hypotheses and calculation methods used		11.1.7 11.2.3
	305-4 GHG emission intensity rate	3.1.2 Climate-changing emissions - GHG A.4 Standards, hypotheses and calculation methods used		11.1.8
	305-5 Reducing GHG emissions	3.1.2 Climate-changing emissions - GHG 4.3.2 The path of social and economic integration with the community A.4 Standards, hypotheses and calculation methods used		11.2.3
<b>Environmental protection - Air quality</b>		<b>Management of emissions into the atmosphere of the Terminal and monitoring systems.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management Chapter 3 - OLT FOR THE ENVIRONMENT 3.3.1 Air quality 4.3.1 Participation and involvement		11.3.1
<b>GRI 305: Emissions 2016</b>	305-7 Nitrogen oxides (NO <sub>x</sub> ), sulphur oxides (SO <sub>x</sub> ) and other significant emissions	3.3.1 Air quality A.4 Standards, assumptions and calculation methods used		11.3.2
<b>Environmental protection - Energy consumption</b>		<b>Management of energy consumption related to the Terminal and improvement programs.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.5 Risk management 1.6 OLT: today's results and tomorrow's commitments Chapter 3 - OLT FOR THE ENVIRONMENT 3.1.1 Energy consumption 4.3.1 Participation and involvement		
<b>GRI 302: Energy 2016</b>	302-1 Energy consumed within the organization	3.1.1 Energy consumption A.4 Standards, hypotheses and calculation methods used		11.1.2
	302-2 Energy consumed outside the organization	3.1.1 Energy consumption A.4 Standards, hypotheses and calculation methods used		11.1.3
	302-3 Energy intensity	3.1.1 Energy consumption A.4 Standards, hypotheses and calculation methods used		11.1.4
	302-4 Reduction of energy consumption	1.6 OLT: today's results and tomorrow's commitments 3.1.1 Energy consumption A.4 Standards, hypotheses and calculation methods used		

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>Environmental protection - Waste management</b>		<b>Management of waste produced by the Terminal and control devices.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT: today's results and tomorrow's commitments Chapter 3 - OLT FOR THE ENVIRONMENT 3.3.2 Attention in waste management		11.5.1
	306-1 Waste generation and significant waste-related impacts	3.3.2 Attention in waste management		11.5.2
<b>GRI 306: Waste 2020</b>	306-2 Management of significant waste-related impacts	3.3.2 Attention in waste management		11.5.3
	306-3 Generated waste	3.3.2 Attention in waste management	11.5.4 The information relating to the production and disposal of boring waste, slag and residues, sterile is not applicable to the reality of OLT	11.5.4
	306-4 Wastes not destined for disposal	3.3.2 Attention in waste management	11.5.5 The information relating to the production and disposal of boring waste, slag and residues, sterile is not applicable to the reality of OLT	11.5.5
	306-5 Waste destined for disposal	3.3.2 Attention in waste management	11.5.6 The information relating to the production and disposal of boring waste, slag and residues, sterile is not applicable to the reality of OLT	11.5.6
<b>Effects on biodiversity</b>		<b>Management of activities in compliance with the principle of biodiversity protection, with particular reference to the marine environment, and monitoring systems.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management Chapter 3 - OLT FOR THE ENVIRONMENT 3.2 Attention to biodiversity		11.4.1
	304-1 Owned and leased operational sites managed in (or adjacent to) protected areas and areas of high biodiversity value outside protected areas	1.1 About OLT 3.2 Attention to biodiversity		11.4.2
<b>GRI 304: Biodiversity 2016</b>	304-2 Significant impacts of activities, products and services on biodiversity	3.2 Attention to biodiversity		11.4.3
	304-3 Protected or restored habitats	3.2 Attention to biodiversity		11.4.4
	304-4 Species listed on the IUCN "Red List" and on national lists that find their habitat in the organization's areas of operation	3.2 Attention to biodiversity		11.4.5
<b>Diversity and equal opportunities</b>		<b>Contribution to the dissemination of an inclusive corporate culture, oriented to the enhancement of diversity and the fight against discrimination.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT: today's results and tomorrow's commitments Chapter 4 - OLT FOR PEOPLE 4.1.1 The OLT team 4.1.2 Protection of work and valuing resources 4.3.1 Participation and involvement		11.11.1 11.13.1
	202-1 Relationship between the standard basic wages to gender and the local minimum wage	4.1.1 the OLT team 4.1.2 Protection of work and valuing resources		
<b>GRI 202: Market Presence 2016</b>				
<b>GRI 401: Employment 2016</b>	401-3 Parental leave	4.1.2 Protection of work and valuing resources		11.11.3
<b>GRI 404: Training and education 2016</b>	404-1 Average number of training hours per year per employee	4.1.2 Protection of work and valuing resources		11.11.4
	404-2 Employee Upskilling and Transition Assistance Programs	4.1.1 The OLT team		
	404-3 Percentage of employees receiving periodic evaluations of their performance and professional development	4.1.2 Protection of work and valuing resources		

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>Material Themes</b>				
<b>GRI 405: Diversity and Equal Opportunities 2016</b>	405-1 Diversity in governing bodies and among employees	1.2 Governance and organisational structure 4.1.1 The OLT team		11.11.5
	405-2 Relationship between basic salary to women's pay and men's pay	4.1.2 Protection of work and valuing resources		11.11.6
<b>GRI 406: Non-Discrimination 2016</b>	406-1 Incidents of discrimination and remedies taken	4.1.2 Protection of work and valuing resources		11.11.7
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Activities and suppliers where the right to freedom of association and collective bargaining may be at risk	2.5.2 Partnership with suppliers 4.3.1 Participation and involvement		11.13.2
<b>Employment practices and labour protection</b>		<b>OLT's approach to job creation by ensuring employment conditions that respect the principles of human rights and fundamental rights at work.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT		11.10.1
		1.4 Compliance with laws and regulations		11.12.1
		1.5 Risk management Chapter 4 - OLT FOR PEOPLE		
<b>GRI 401: Employment 2016</b>	401-1 Recruitment of new employees and employee turnover	4.1.1 The OLT team		11.10.2
	401-2 Benefits for full-time employees that are not available for temporary or part-time employees	4.1.2 Protection of work and valuing resources		11.10.3
	401-3 Parental leaving	4.1.2 Protection of work and valuing resources		11.10.4
<b>GRI 402: Work and Relationship Management 2016</b>	402-1 Minimum notice period for operational changes	4.1.1 The OLT team		11.10.5
<b>GRI 404: Training and Education 2016</b>	404-1 Average number of training hours per year per employee	4.1.2 Protection of work and valuing resources		11.10.6 11.11.14
	404-2 Employee Upskilling and Transition Assistance Programs	4.1.2 Protection of work and valuing resources		11.10.7
	404-3 Percentage of employees receiving periodic evaluations of their performance and professional development	4.1.2 Protection of work and valuing resources		
<b>GRI 408: Child Labour 2016</b>	408-1 Activities and suppliers at significant risk of child labour	2.5.2 Partnership with suppliers		
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1 Activities and suppliers at significant risk of forced or compulsory labour	2.5.2 Partnership with suppliers		11.12.2
<b>Health and safety for people</b>		<b>OLT's approach to ensuring safe and healthy working conditions.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT: Compliance with laws and regulations Chapter 4 - OLT FOR PEOPLE		11.9.1

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational Health and Safety Management System	1.3 The fixed points of OLT 4.2 Safety at the centre of OLT culture		11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	1.3 The fixed points of OLT 4.2 Safety at the centre of OLT culture 4.3.1 Participation and involvement		11.9.3
	403-3 Occupational health services	4.2 Safety at the centre of OLT culture		11.9.4
	403-4 Participation and consultation of workers on occupational safety and health programmes and related communication	1.3 The fixed points of OLT 4.2 Safety at the centre of OLT culture 4.3.1 Participation and involvement 4.3.2 The path of social and economic integration with the community		11.9.5
	403-5 Training of workers on occupational health and safety	4.1.2 Protection of work and valuing resources		11.9.6
	403-6 Promotion of workers' health	4.1.2 Protection of work and valuing resources 4.2 Safety at the centre of OLT culture		11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2.5.2 Partnership with the suppliers 4.1.2 Protection of work and valuing resources 4.2 Safety at the centre of OLT culture		11.9.8
	403-8 Workers covered by an occupational health and safety management system	4.2 Safety at the centre of OLT culture		11.9.9
	403-9 Occupational accidents	4.2 Safety at the centre of OLT culture		11.9.10
	403-10 Occupational diseases	4.2 Safety at the centre of OLT culture		11.9.11
<b>Asset Integrity and Incident Management</b>		<b>OLT approach to ensure the prevention of accidents related to the operation of the plants.</b>		
<b>GRI 3: Material Theme 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management 1.6 OLT:today's results and tomorrow's commitments Chapter 4 - OLT FOR PEOPLE		11.8.1
<b>GRI 403: Occupational Health and Safety 2018</b>	403-2 Hazard identification, risk assessment and accident investigation	1.3 The fixed points of OLT 4.2 Safety at the centre of OLT culture		
	403-5 Training of workers in occupational health and safety	4.1.2 Protection of work and valuing resources		
<b>GRI 416: Consumer Health and Safety 2016</b>	416-1 Assessment of health and safety impacts by product and service categories	4.2 Safety at the centre of OLT culture		
	416-2 Incidents of non-compliance concerning impacts on the health and safety of products and services	4.2. Safety at the centre of OLT culture		
<b>GRI 11: Oil and Gas Sector 2021</b>	11.8 Asset Integrity and Critical Incident Management	4.2 Safety at the centre of OLT culture		11.8.2 11.8.3
	11.8 Asset integrity and critical event management		11.8.4 Additional Industry Information for Organisations with Tar Sands Mining Operations Not Applicable: OLT does not perform tar sands extraction operations	11.8.4

GRI STANDARD	INFORMATION	PLACE	OMISSION	INSTRUMENT STANDARD GRI
<b>Material Themes</b>				
<b>Effort for community</b>		<b>OLT's contribution to the social and cultural development of the host community.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	Chapter 4 - OLT FOR PEOPLE 4.3.1 Participation and involvement A.2 Materiality analysis		11.15.1
<b>GRI 413: Local Communities 2016</b>	413-1 Activities involving local communities, impact assessments and development programmes	4.3.1 Participation and involvement 4.3.2 The path of social and economic integration with the community		11.15.2
	413-2 Activities with significant potential and current negative impacts on local communities	Chapter 4 - OLT FOR PEOPLE 4.3.1 Participation and involvement 4.3.2 The path of social and economic integration with the community		11.15.3
<b>GRI 11: Oil and Gas Sector 2021</b>	11.15 Local communities	4.3.1 Participation and involvement 4.3.2 The path of social and economic integration with the community		11.15.4
<b>Economic impacts</b>		<b>Local, national and global economic impacts related to OLT's activities.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	2.5.1 Our contribution to growth 4.3.2 The path of social and economic integration with the community		11.14.1
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	2.5.1 Our contribution to growth		11.14.2
	201-3 Obligations regarding defined benefit plans and other retirement plans	4.1.1 The OLT team		
<b>GRI 202: Market Presence 2016</b>	202-2 Percentage of senior management hired from the local community	4.1.1 The OLT team		11.11.2 11.14.3
	203-1 Investments in infrastructure and supported services	2.3.3 The Small Scale LNG Service 2.5.1 Our contribution to growth		11.14.4
<b>GRI 203: Indirect Economic impacts 2016</b>	203-2 Significant indirect economic impacts	2.5.2 Partnership with suppliers		11.14.5
	204-1 Proportion of expenditure made to local suppliers	2.5.2 Partnership with suppliers		11.14.6
<b>Ethics and integrity - compliance, corruption, competition</b>		<b>Control mechanisms aimed at ensuring the conduct of business with integrity, transparency and legality, promoting ethically correct behavior and in compliance with current legislation.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management		11.19.1 11.20.1
<b>GRI 205: Anti-corruption 2016</b>	205-1 Transactions assessed to determine corruption risks	1.5 Risk management		11.20.2
	205-2 Communication and training on anti-corruption regulations and procedures	1.3 The fixed points of OLT		11.20.3
	205-3 Confirmed corruption incidents and measures taken	1.4 Compliance with laws and regulations		11.20.4
<b>GRI 206: Anti-competitive behavior 2016</b>	206-1 Lawsuits relating to anticompetitive conduct, trusts and monopolistic practices	1.4 Compliance with laws and regulations		11.19.2
<b>GRI 11: Oil and Gas Sector 2021</b>	11.20 Anti-corruption	1.1.1 The Shareholders		11.20.5
		2.3.1 The Regasification Service		11.20.6

GRI STANDARD	INFORMATION	PLACE	OMISSION	INDUSTRY STANDARD GRI
<b>Approach to risk management</b>		<b>Approach to identifying, analyzing and managing risks as a contribution to the protection and growth of business value by preventing or minimizing adverse effects and ensuring effective resource allocation and optimization of operational efficiency.</b>		
<b>GRI 3: Material Themes 2021</b>	3-3 Management of material themes	1.3 The fixed points of OLT 1.4 Compliance with laws and regulations 1.5 Risk management		
<b>GRI 414: Social Evaluation of Suppliers 2016</b>	414-1 New suppliers that have been evaluated through the use of social criteria	2.5.2 Partnership with the suppliers		11.10.8 11.12.3
	414-2 Negative social impacts on the supply chain and actions taken	2.5.2 Partnership with the suppliers		11.10.9

#### TOPICS IDENTIFIED AS APPLICABLE IN GRI SECTOR STANDARDS CONSIDERED AS NON-MATERIAL

THEME	EXPLANATION
<b>GRI 11: Oil and Gas Sector 2021</b>	
11.6 Water and water discharges	From the materiality analysis, the impacts on the water matrix of OLT's activities were non-material. These impacts are attributable to the water discharges into the sea of the Terminal. Those interested, however, in an in-depth analysis on these topics can refer to the Environmental Statement
11.16 Rights to land and resources	From the materiality analysis, the aspects related to land rights and resources were found to be non-material. Community rights to use, manage and control land, fisheries, forests and other natural resources are not compromised by OLT's work
11.17 Rights of indigenous peoples	OLT operates only in Italy and does not generate impacts on indigenous peoples as defined by Convention No. 169/1989 on Indigenous and Tribal Peoples (International Labour Organization - ILO)
11.18 Conflicts and security	OLT does not operate in conflict areas





# GLOSSARY

**Advocacy:** patronage.

**ARERA:** Regulatory Authority for Energy, Networks and Environment.

**Best Available Techniques:** the plant, control and management techniques that, among those technically feasible and economically sustainable for each specific context, guarantee low levels of pollutant emissions, the optimization of the consumption of raw materials, products, water and energy and adequate accident prevention.

**Biogenic emissions:** emissions of CO<sub>2</sub> originating from the combustion or degradation of biomasses.

**Biotic:** all organisms (vegetable, animal, etc.) that occupy at determined space in an ecosystem.

**Carbon monoxide (CO):** carbon monoxide is one of the most common air pollutants; It is an odorless, colorless, and tasteless toxic gas that is produced in all combustion processes whenever a carbon-containing substance burns incompletely.

**COP27:** 27<sup>th</sup> Conference of the Parties among the countries that have ratified the United Nations Framework Convention on Climate Change, held in Sharm El Sheikh in November 2022.

**Dust:** the term atmospheric dust, or particulate matter, refers to a mixture of solid and liquid particles, suspended in air, which varies in dimensional characteristics, composition and origin. Depending on the formation process, the particles that make up atmospheric dust can vary both in size and chemical composition. The limits imposed on combustion plants refer to total dust, including particulate matter: particles, of any shape, structure or density, dispersed in the gas phase under the conditions of the sampling point.

**EIA Decree (Environmental Impact Assessment):** pursuant to Legislative Decree 152/06, the EIA is a technical-administrative procedure that aims to identify, describe and evaluate, prior to the realization of the works, the effects on the biogeophysical environment, on health and human well-being of certain public or private projects, as well as to identify measures to prevent, eliminate or minimize negative impacts on the environment, before they actually occur. The authorization is issued by a Decree (EIA Decree).

**EMAS (Eco-Management and Audit Scheme):** a voluntary tool created by the European Community that can be used by organisations (companies, public institutions, etc.) to assess and improve their environmental performance and to provide the public and other stakeholders with information about how they manage the environment. The European Regulation currently in force is No. 1221 issued in 2009 and updated by European regulation No. 1505 of 2017.

**Emission Trading System:** this term generically refers to a system adopted internationally to control emissions and trade quotas of greenhouse gas and pollutants; the "Emission Trading" Directive is the European Directive that regulates the exchange of quotas and their monitoring.

**Employability:** the term means the capacity of an individual to be fit to hold a job.

**Fugitive emissions:** emissions deriving from an industrial process that are not channelled because they come from physiological losses (and therefore not accidental) of plants and systems. In particular, physiological losses from gaskets, valves, etc.

**Gas Year:** reference time period used in the gas market which goes from 06.00 hours of 1<sup>st</sup> October to 06:00 hours of 1<sup>st</sup> October in the calendar year immediately after.

**Global Reporting Initiative:** an independent international organisation born with the purpose of creating Reference standards for sustainability reporting (GRI Standards).

**GWP (Global Warming Potential):** represents the warming potential, for example the contribution to the greenhouse effect and global warming. It is measured for the effect of the CO<sub>2</sub>, the reference potential of which is 1.

**IEA Decree (Integrated Environmental Authorisation):** the IEA Decree is the measure that authorises the functioning of an installation under certain conditions that must guarantee compliance with the requirements as of the second part of Italian Legislative Decree 152/06. The authorisation is issued by means of a Decree (IEA Decree).

**ISO 14001** standard that sets the requirements of an organisation's environmental management system.

**ISO 45001:** international standard for workplace health and safety.

**ISO 9001:** standard that sets the requirements of a quality management system for an organisation.

**LDAR (Leak Detection And Repair):** monitoring and containing programme for fugitive emissions from plant components such as valves, flanges, line ends, pump/compressor/agitator seals. Implementing a LDAR programme gives the possibility of identifying critical sources and carrying out targeted maintenance operations guaranteeing a significant reduction in emissions with the consequent advantages: financial savings, safety improvements, environmental protection and CO<sub>2</sub> reduction.

**MGO (Marine Gas Oil):** a fuel similar to diesel but with a slightly higher density, suitable for use in marine engines.

**Nitrogen oxides (NOx):** nitrogen oxides are produced by all high-temperature combustion processes, by oxidation of atmospheric nitrogen and, to a small extent, by oxidation of nitrogen compounds contained in fuels. Among the nitrogen oxides the most important for air pollution are nitrogen oxide NO and nitrogen dioxide NO<sub>2</sub>.

**OCIMF (Oil Companies International Marine Forum):** voluntary association of oil companies involved in the maritime sector in oil and gas sector terminals.



**OGMP 2.0 (Oil & Gas Methane Partnership 2.0):** multi-stakeholder initiative launched by the UNEP and the Climate and Clean Air Coalition. The OGMP 2.0 is the only complete reference framework based on measurements for the oil and gas industry which improves the accuracy and transparency of communications for methane emissions in the oil and gas sector. Over 70 companies with assets in five continents representing 50% of world oil and gas production are members of the partnership.

**Onboarding:** process after recruitment which entails the induction of a new employee into the company.

**Outsourcer:** company to which a part of the service of the client company is contracted out.

**PAR (Platform for the Allocation of Regasification Capacity):** IT platform organised and managed by GME, within the framework of which the procedures for the allocation of regasification capacity at the terminals managed by regasification companies that have requested to use this service are managed.

**Plant Operator:** natural person or legal entity which possesses or manages a facility or plant, or to which the economic or decision-making power to run that facility or plant has been delegated (Italian Legislative Decree 105/15 and Italian Legislative Decree 152/06).

**Root Cause Analysis:** systematic analytical process to discover the causes existing at the root of breakdowns, accidents or injuries with the final aim of identifying the most appropriate solutions to solve them.

**SA8000 (Social Accountability):** International Certification Standard prepared by CEPAA (Council of Economical Priorities Accreditation Agency) and aimed at certifying some aspects of the company's management with reference to social accountability.

**SDGs (Sustainable Development Goals):** the 17 sustainable development goals of the United Nations 2030 Agenda for Sustainable Development. By pursuing the SDGs it will be possible to guarantee fully sustainable development which respects people, the community and the environment.

**Seveso Directive:** European Directive 2012/18/EU implemented in Italy by Legislative Decree 105 of 26/6/2015 (Legislative Decree 105/2015): "Implementation of Directive 2012/18/EU for the control of the danger of major accidents connected with hazardous substances". Generally called Seveso III as it is the third version of the decree concerning major accidents; the previous version (Seveso II), now superseded, is Directive 96/82 EEC implemented in Italy with Legislative Decree 334 of 17/08/1999 (Legislative Decree 334/99).

**Ship-to-Ship operation:** transfer of part of the load of a vessel to a smaller sized vessel. By extension, the term is used in this document for all operations starting from the manoeuvring stage through to the departure of the vessel after the load has been fully transferred.

**SIGTTO (Society of International Gas Tanker and Terminal Operators):** society of International Gas Tanker and Terminal Operators, the main activity of which consists of analysing gas transport by sea and its handling at terminals with the aim of making these activities safer and more eco-friendly.

**SSLNG (Small Scale LNG):** set of activities to manage small and medium size quantities of LNG, among which transport, storage, transfer into road tankers, bunkering, etc.

**SSLNGc (Small Scale LNG carriers):** small vessel dedicated to the supply of LNG in the naval sector in the port area.

**Stationary sources:** stationary plants subject to the Emission Trading scheme listed in Annex I of Italian Legislative Decree 47/2020.

**Standards of Training, Certification and Watchkeeping for Seafarers (STCW):** international convention on the training, certification and watchkeeping standards for seafarers.

**Tax Compliance:** integrity in managing the tax obligations and determining the tax obligation.

**Virtual Exchange Point (PSV):** virtual point, located between the entry and exit points of the national transport network, where users and other authorised parties may, on a daily basis, exchange and sell gas injected into the network.

**Virtual liquefaction:** service that allows users to deliver gas at the PSV by receiving an equivalent quantity of LNG in the Terminal's tanks. This quantity of LNG can be either received, as liquid, into small scale carriers or, as natural gas, at the entry point of the National grid.

**VOC (Volatile Organic Compounds):** class of organic substances that includes several different chemical compounds formed by molecules having different functional groups but characterised by a certain volatility. VOCs are released by many human activities and can have a range of harmful effects, including a contribution to the formation of tropospheric ozone.

**Waste water - waste water discharges:** all water the quality of which has been impaired by man's activities after being used in domestic, industrial and agricultural use and thus becoming unsuitable for direct use.

**PREPARED BY**

OLT Offshore LNG Toscana  
in partnership with Cogitek

**CONCEPT**

Verdesi and Partners

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**OLT Offshore LNG Toscana****OPERATING BASES****Livorno**

Via G. D'Alesio, 2  
57126 Livorno – ITALY

**Rome**

Via Michele Mercati, 38  
00197 Rome – ITALY

**REGISTERED OFFICE****Milan**

Via Passione, 8  
20122 Milan – ITALY

Tel: + 39 0586 51941  
Fax: +39 0586 210922  
PEC: [oltoffshore@legalmail.it](mailto:oltoffshore@legalmail.it)  
E-mail: [info@oltoffshore.it](mailto:info@oltoffshore.it)



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