SARAS

First Quarter 2023 results

May 10th, 2023

AGENDA

- Q1 2023 Results Highlights
- Market scenario
- Financial Review
- Outlook 2023
- Strategic guidelines and vision

Q1 2023 Highlights

- **EBITDA *comparable*** at 285.3 €m, reflecting a positive scenario and strong operating performances

- **NET RESULT *comparable*** at 162.0 €m

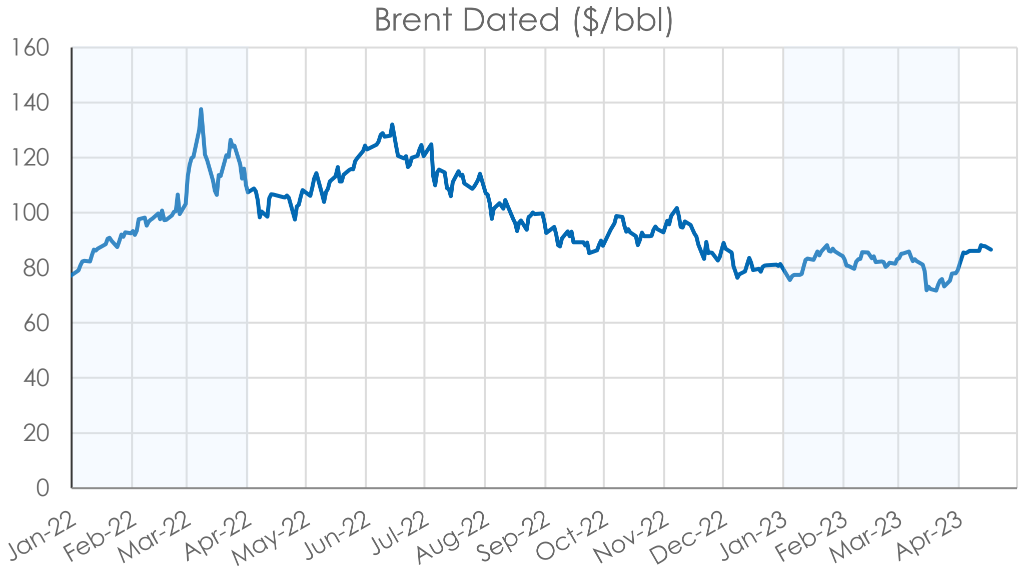
- **Group Capex** at 41€m on refining maintenance, with renewable expansion to accelerate in Q2

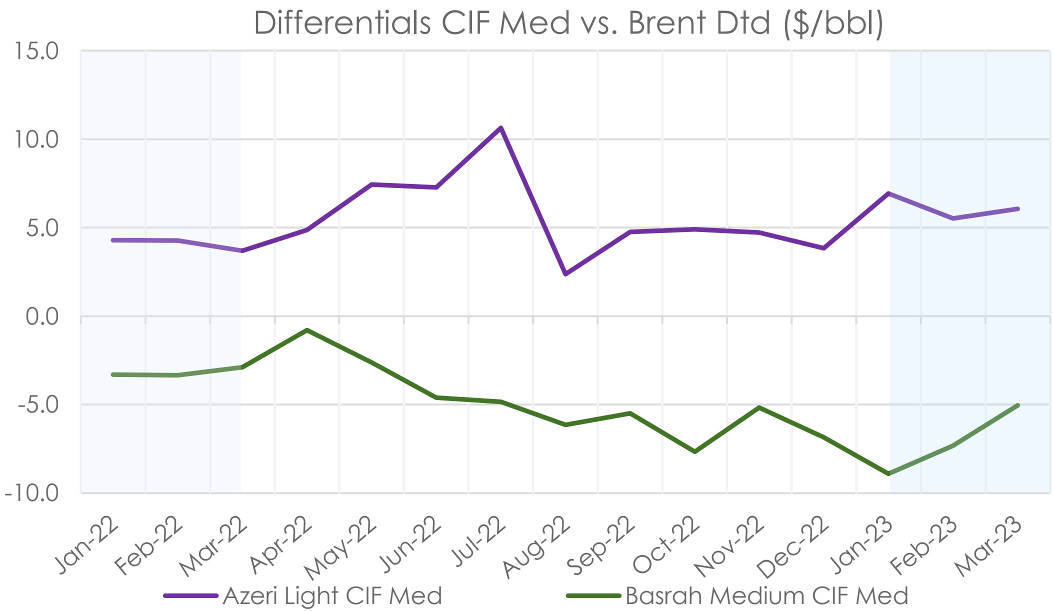
- **Cash position** reached 355 €m

- **Outlook 2023** confirmed positive, albeit from a lower base for middle distillates, with a demand increase from the reopening in China, and recovery of international travel

Market scenario

Crude prices and differentials



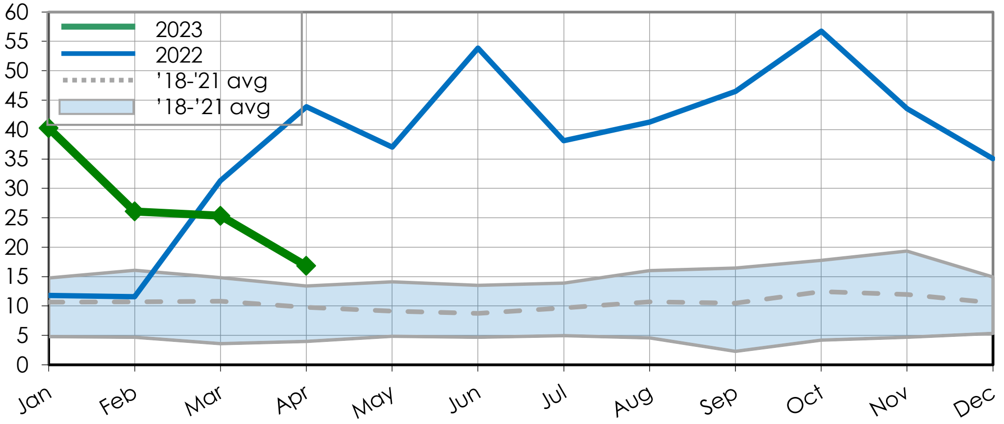


- **Brent price averaged 81.3$/bbl (102.5$/bbl in Q1'22)**
- **Basrah Medium CIF discount to Brent was -7.1 $/bbl (-3.2 $/bbl in Q1'22)**, further widening compared to Q4'22 (-6.6$/bbl)
- **Azeri sweet CIF premium was +6.2$/bbl (+4.1$/bbl in Q1/22)**, up compared to the average of +4.5 $/bbl in Q4'22.

Source: S&P Global Platts

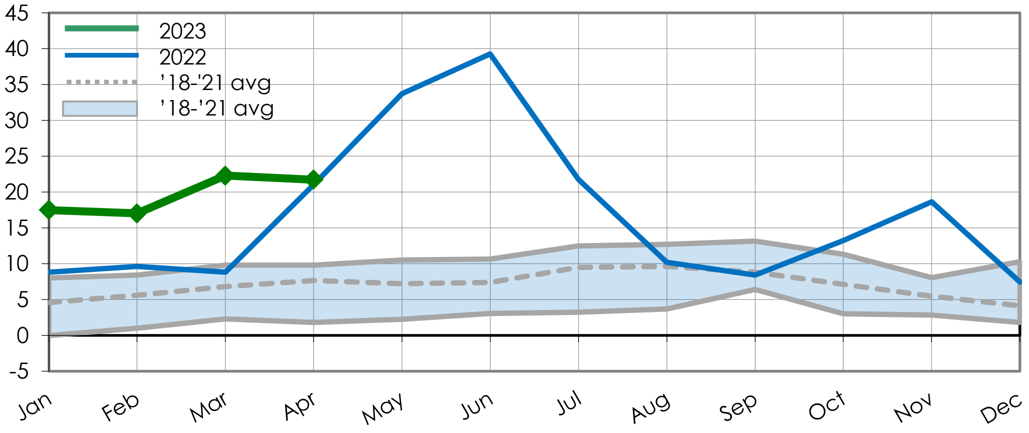
Distillate cracks

Diesel Crack spread FOB med vs Brent ($/bbl, monthly avg)



Source: S&P Global Platts

Gasoline Crack spread FOB Med vs Brent ($/bbl, monthly avg)



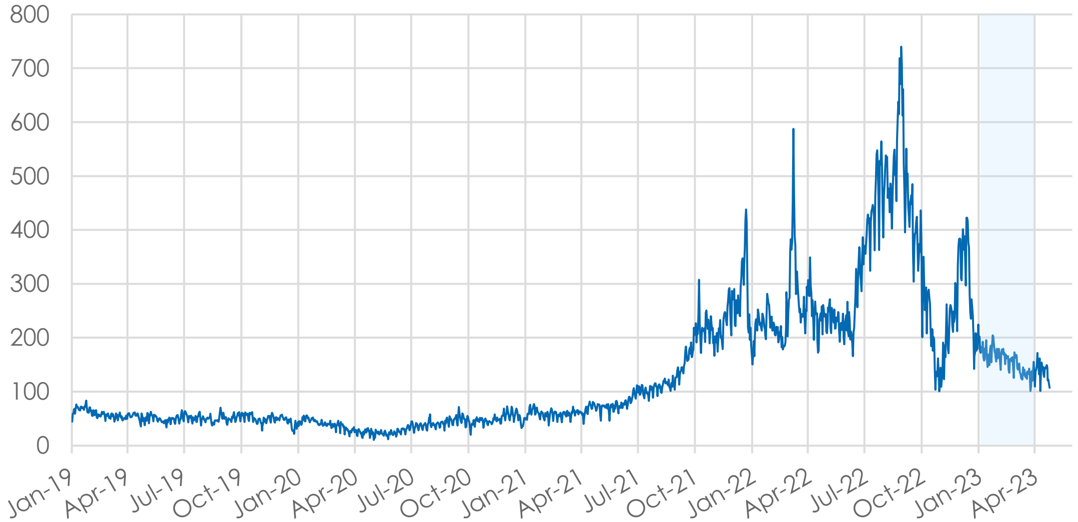
- **Diesel crack (ULSD) recorded an average of +30.6 $/bbl (+19.0 $/bbl in Q1'22)**, down compared to Q4'22 (+45.1$/bbl), but still above historical averages.

- **Gasoline crack averaged +19.2 $/bbl (+9.4 $/bbl in Q1'22)**, strongly higher compared to Q4'22 (+13,4$/bbl)

Source: S&P Global Platts

Energy costs (Power and CO2)

Electricity price or PUN (Prezzo Unico Nazionale; €/MWh)



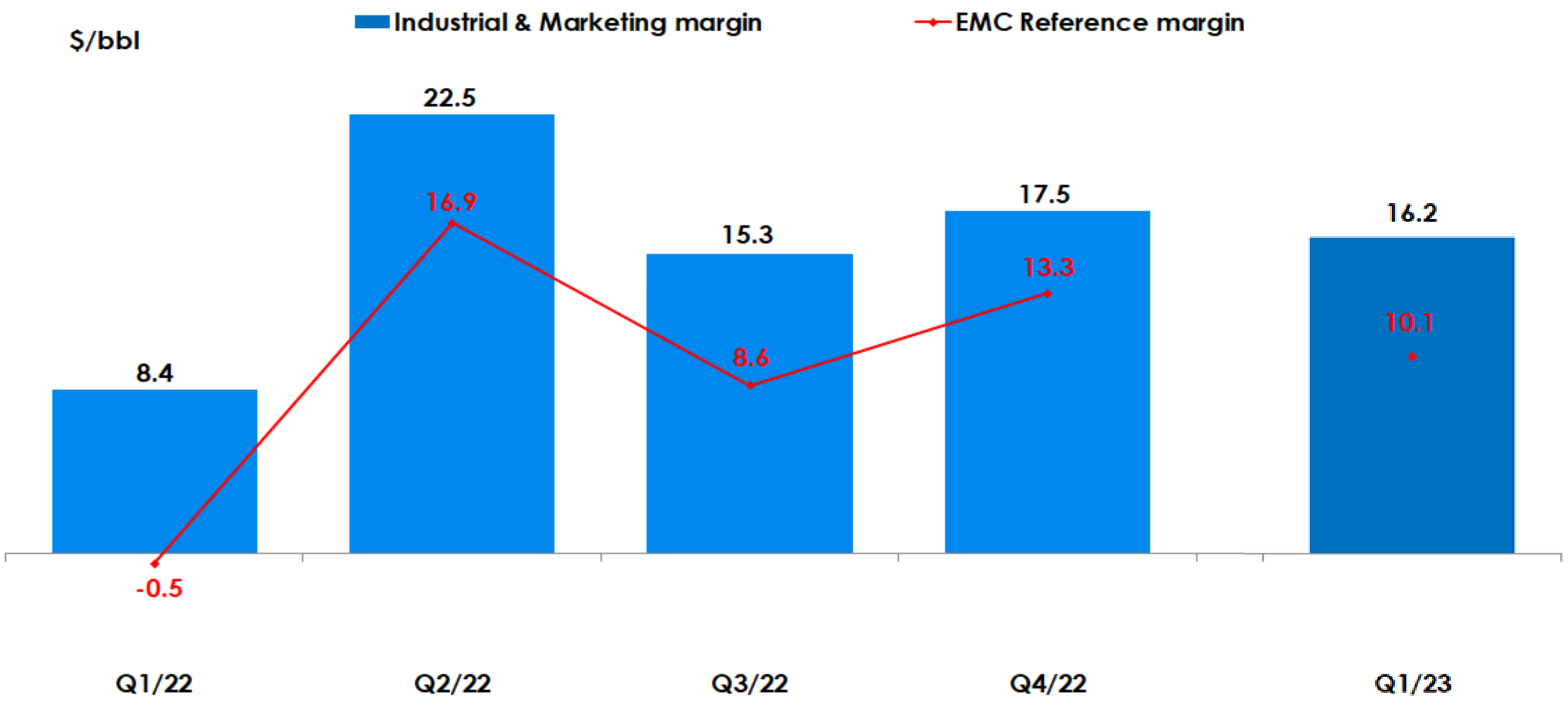
CO2 (EUA certificates; €/ton)

- **PUN price averaged 157 €/MWh (249 €/MWh in Q1'22)**, showing continuous reduction from early December 2022 peaks.

- **Q1'23: EUA permits** averaged 87 €/tons (84 €/ton in Q1'22), up from the average of approx. 77€/ton of Q4'22.

Source: MGP («Mercato del Giorno Prima») for PUN and ICEDEU3 Index for EUA certificates price

Saras Industrial & Marketing margins



Q1'23 Saras margin was 16.2 $/bbl, with a premium of +6.1 $/bbl above the EMC Reference Margin[1] reflecting strong operating and trading performances in the quarter

Note: The EMC Reference Margin is calculated by EMC (Energy Market Consultants) to reflect the typical Saras blend of processed crudes and target market prices.

2023 refining market outlook

Refining margins expected to recover over the summer period on growing demand and middle distillates tighter supply.

<u>Current level of ULSD cracks unjustified given actual economic cycle</u>.

Demand

- Demand growth forecast confirmed around +2.0 mbd
- China is expected to drive growth by reopening with increased jet and gasoline consumption (very strong passenger and traffic flows)
- Stronger Atlantic basin gasoline demand in Q2 and Q3 on summer driving season

Supply

- Diesel inventories are finally reducing in Europe after strong stock build ahead of Russian products ban
- Octane shortage to persist, supporting Gasoline cracks
- Some run cuts expected mainly in Asia and Europe
- Capacity additions slowing down in Q3 and Q4
- Strong concerns in Europe mounting between major players on Russian diesel “laundromats”

Source: Saras view based on latest market report of IEA; Platts; WoodMacKenzie; FGE; Nomisma

Financial Review

Financial Highlights

€m	Q1/23	Q1/22
Reported EBITDA	246.4	156.3
Comparable EBITDA	**285.3**	**62.0**
Reported Net Result	139.1	76.6
Comparable Net Result	**162.0**	**13.3**

	Mar 31st '23	Dec 31st '22
Net Financial Position ante IFRS 16	**354.9**	**268.6**
Net Financial Position post IFRS 16	315.7	227.5

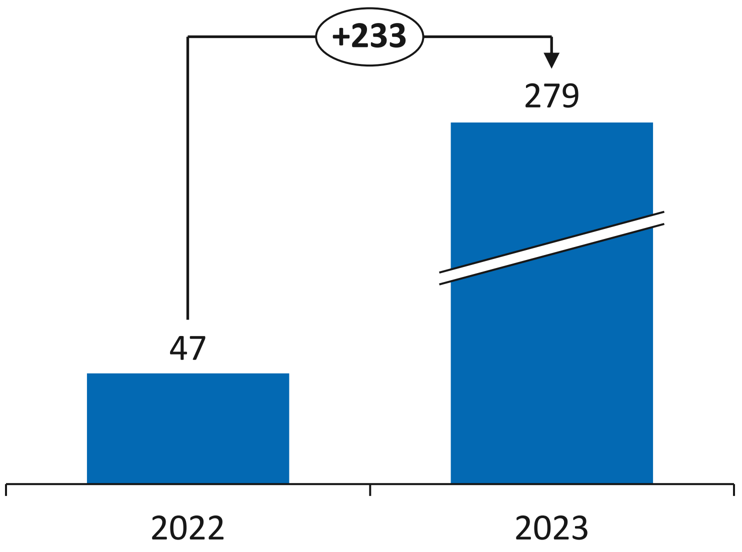
- ***Reported* Q1'23 EBITDA** at 246.4 €m, reflecting the positive scenario and the good performance
- ***Comparable* Q1'23 EBITDA** at 285.3 €m, not including the negative effect of the scenario on inventories evaluations

- ***Reported* Q1'23 Net Results** at 139.1 €m
- ***Comparable* Q1'23 Net Result** at 162.0 €m

- **Net Financial Position** (ante IFRS16) as of Mar 31st, '23, at 355 €m thanks to the strong cash generation of the core business

Industrial & Marketing Q1'23

Comparable EBITDA (€m)



		Q1/23	Q1/22
Crude oil runs	Ktons	3,415	2,804
Electricity production	GWh	1,089	840
Capex	€m	39.8	19.0

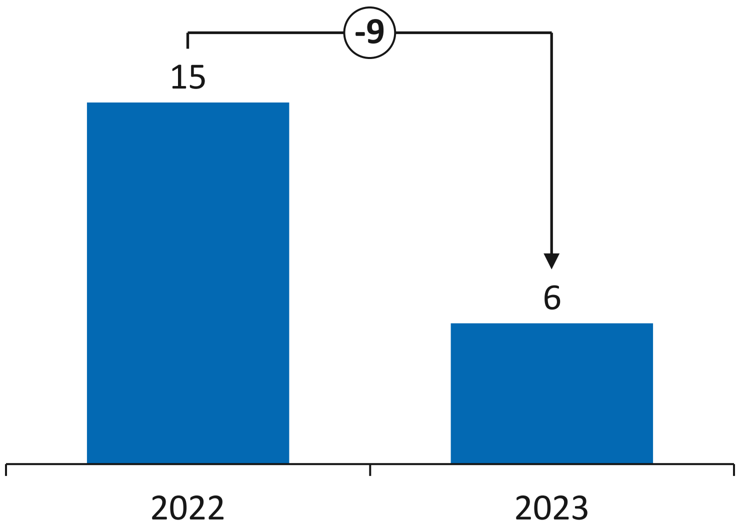
Q1'23 *Comparable* EBITDA at 279 €m, +233 €m vs Q1M'22

- **+119 €m oil scenario** thanks to high diesel and gasoline distillates cracks, brent price reduction weighted by higher premiums on light sweet crudes.
- **+70 €m performance** driven by strong results from commercial activities and productive performance.
- **+18 €m lower variable costs[1,2]** due to lower energy and CO_2 costs partially compensated by higher costs on utilities, catalysts and demurrages
- **+5 €m lower fixed costs[1]** due to lower maintenance costs
- **+10 €m Marketing EBITDA at 14.5 €m** (5.7 €m in 2022) driven by higher margins both in Italy and Spain
- **+11 €m from higher capital remuneration**, according to the Essentiality regime which in Q1'23 stands at 27 €m
- **39.8 €m capex in Q1'23** up from 19.0 €m for additional turnaround activities and catalysts replacements

1. Variable and fixed costs are net of the reintegration from the essentiality
2. Industrial & marketing power consumption in Q1'23 was 0.24 TWh while CO_2 shortage was 156 Ktons. Both values do not include the IGCC needs to produce "Essential electricity"

Renewables Q1’23

Comparable EBITDA (€m)



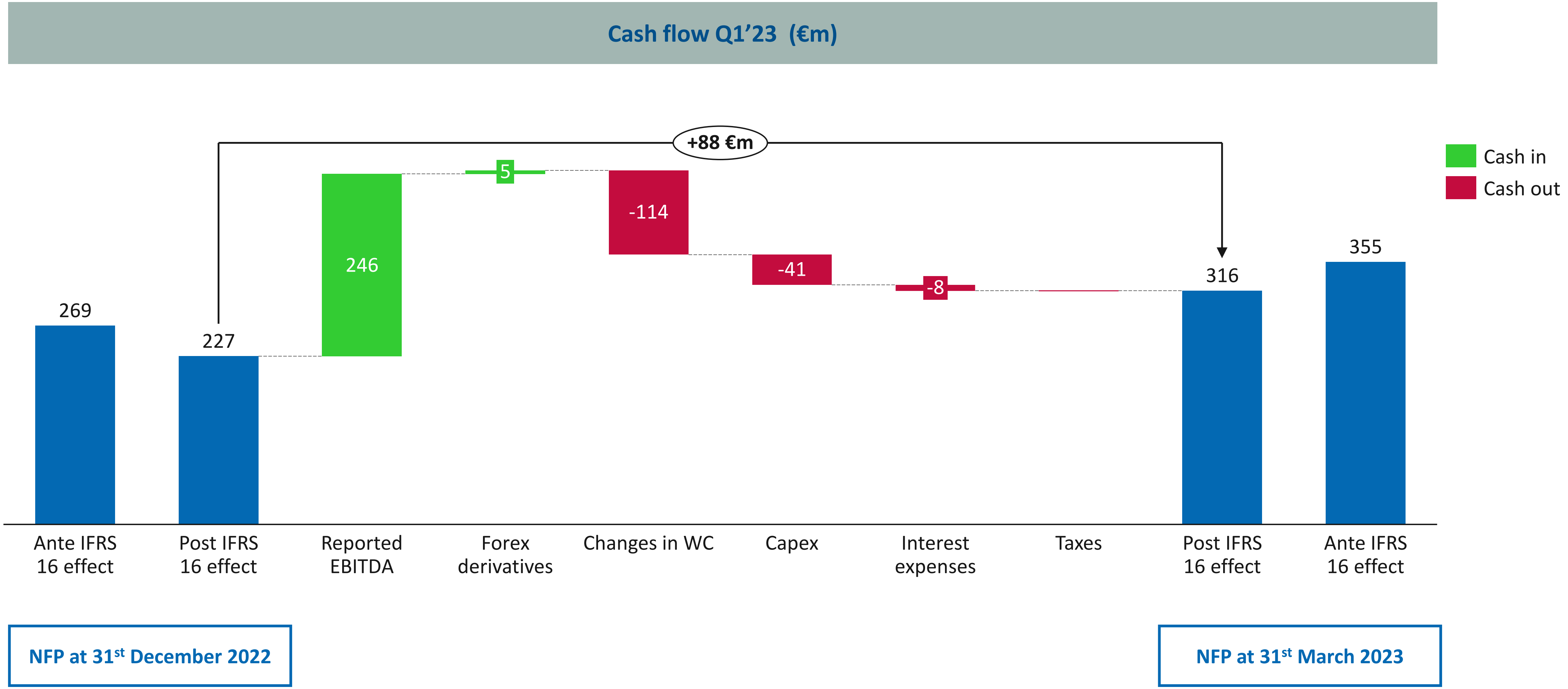
		Q1/23	Q1/22
Production	GWh	81.3	94.7
Avg. tariff	€/MWh	96.7	174.0
Capex	€m	1.3	5.1

Q1’23 *Comparable* EBITDA at 6 €m, - 9 €m vs Q1M’22

- **Lower average tariff at 96.7 €/MWh** due to price cap of 61 €/MWh on 53% and an average tariff of 137 €/MWh on the remaining part of the production
- **Lower production by 13.4 GWh** due to weaker wind speeds, lower mechanical availability and grid limitations
- **Capex at 1.3 €m** mainly related to the the development of new PV Helianto
- Price cap application reduced Q1 comparable EBITDA by 3.3 €m (vs 7.2 €m in Q1’22)

Note: Starting 1st February 2022, according to the Law Decree n.4/2022 renewable power plants > 20KW/h that do not access incentive mechanisms, and which entered into operation before January 1st, 2010 (so-called merchant) are subject to the price cap of 61 €/MWh. Starting 1st December 2022, according to Italian financial law 2023 all remaining renewable production is subject to the price cap of 180 €/MWh. Both price limitation are currently expected to end the 30 June 2023

Net Financial Position



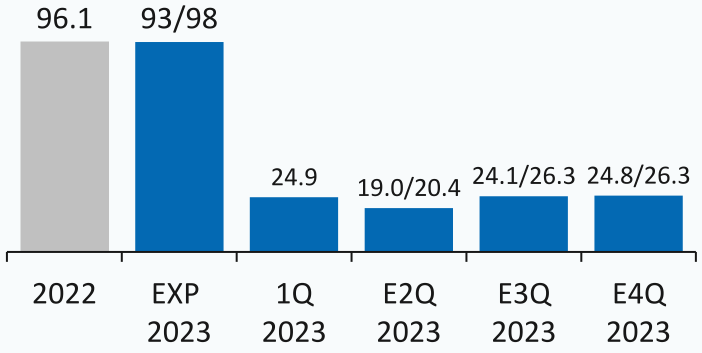
Outlook 2023

INDUSTRIAL & MARKETING

- **REFINING FUNDAMENTALS** expected to remain positive but weaker than Q123
- **OPEX confirmed to remain in line or slightly higher than 2022' (~ 390÷415 €m)**
- **CAPEX in a range of ~170÷180 €m**, starting a full review of our scope of work to identify optimization opportunities
- **REFINERY PRODUCTION increased at approx. 93÷98 m/bbl,** with the largest part of maintenance in Q2, where lower margins are expected

➢ **Guidance confirmed to deliver a +5÷6 $/bbl Premium above the EMC**

Crude runs (m/bbl)



REWENABLES

- **Capex at ~60÷70 €m** mainly related to the construction of Helianto PV farm and to the development of new capacity in advanced authorization phase
- **Helianto PV farm** expected to be into commercial operation in H1'24

Net Financial Position to remain positive at the end of 2023

Strategic guidelines and vision

From a pure refiner to a sustainable energy player

DECARBONIZATION	Play the convergency between conventional and new energies
VALUE OPTIMIZATION	Lower operational leverage, lower cost of capital
RISK REDUCTION	Reduced exposure to commodities, reduced earning volatility
VALUE CREATIVE GROWTH	Built the base for value creative growth

The new integrated business model of Refining & Renewables will guarantee long-term value beyond 2030

Strategic Actions

Enhance Efficiency	Renewables Growth acceleration	Financial strength
➢ Enhance the best-in-class positioning of the refinery ➢ Improving the overall effectiveness and efficiency of the industrial processes	➢ 250 MW installed capacity in Sardinia (including 80MW Helianto under construction) ➢ Almost 600 MW existing wind pipeline in Sardinia ➢ Scouting for more opportunities in Italy	➢ Extension of asset life investing in long dated sustainable assets ➢ Asset diversification
More sustainable premium in the long term	**1GW renewable capacity installed by 2028**	**Refining: Zero debt target** **Renewables: 60% leverage**

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Conclusions

- Up to 1 €bn dedicated to accelerate the integration of new energies over the next few years, according to returns and financial flexibility

- New energy Invested capital to exceed capital allocated to traditional business by 2026

- Self financed growth supported by project finance

- Sustainable Shareholders' remuneration

Appendix

Financials: Key Income Statement Figures

KEY INCOME STATEMENT €m	2020	Q1/21	Q2/21	Q3/21	Q4/21	2021	Q1/22	Q2/22	Q3/22	Q4/22	2022	Q1/23
EBITDA	**-87.1**	**27.1**	**81.6**	**4.8**	**163.6**	**277.1**	**156.3**	**532.2**	**365.9**	**115.9**	**1,170.3**	**246.4**
***Comparable* EBITDA**	**-20.8**	**-11.2**	**19.5**	**2.3**	**43.5**	**54.1**	**62.0**	**458.6**	**296.4**	**319.7**	**1,136.7**	**285.3**
D&A	218.1	47.1	48.0	51.4	52.1	198.6	45.6	47.2	48.4	63.6	204.7	46.5
EBIT	**-341**	**-20**	**33.6**	**-46.6**	**111.5**	**78.5**	**110.7**	**485.0**	**317.5**	**52.5**	**965.7**	**200.0**
***Comparable* EBIT**	**-238.9**	**-58.3**	**-28.5**	**-49.1**	**-8.6**	**-145**	**16.4**	**411.4**	**248.0**	**269.5**	**945.3**	**238.9**
Interest expense	-16.4	-5.5	-3.8	-5.8	-4.6	-19.7	-5.5	-8.2	-7.3	-9.6	-30.5	-8.1
Other	2.5	-9.8	5.1	-1.6	-20.2	-26.6	1.3	-30.5	-47.3	33.9	-46.0	4.7
Financial Income/Expense	**-14.1**	**-15.3**	**1.3**	**-7.4**	**-24.8**	**-46.3**	**-4.2**	**-38.7**	**-54.5**	**24.3**	**-76.5**	**-3.4**
Profit before taxes	**-355**	**-35.3**	**34.9**	**-54**	**86.7**	**32.2**	**106.4**	**446.3**	**260.0**	**76.8**	**889.2**	**196.5**
Taxes	79.4	11.6	-10.6	18.6	-42.5	-22.9	-29.8	-230.4	-204.8	-7.1	-472.3	-57.4
Net Result	**-275.5**	**-23.8**	**24.3**	**-35.4**	**44.2**	**9.3**	**76.6**	**215.9**	**54.7**	**69.7**	**416.9**	**139.1**
Adjustments	78.5	-23.3	-48.1	-3.4	-70.5	-145.3	-63.3	71.3	94.6	190.3	292.9	22.9
***Comparable* Net Result**	**-197.0**	**-47.1**	**-23.8**	**-38.8**	**-26.3**	**-136.0**	**13.3**	**287.2**	**149.3**	**260.1**	**709.8**	**162.0**

The sum of rounded numbers may not be the same as their rounded sum.

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Financials: Comparable Results Adjustments

EBITDA Adjustment €m	2020	Q1/21	Q2/21	Q3/21	Q4/21	2021	Q1/22	Q2/22	Q3/22	Q4/22	FY/22	Q1/23
Reported EBITDA	**-87.1**	**27.1**	**81.6**	**4.8**	**163.6**	**277.1**	**156.3**	**532.2**	**365.9**	**115.9**	**1,170.3**	**246.4**
Gain / (Losses) on Inventories and on inventories hedging derivatives	32.2	-38.2	-62.8	-4.7	-120.7	-226.4	-87.8	-35.6	(44.2)	158.0	-9.6	31.8
Forex derivatives	5.3	-7.1	2.8	0.9	-12.5	-15.9	-7.7	-40.5	(27.0)	16.9	-58.3	7.2
Non-recurring items	28.8	7.0	-2.1	1.3	13.1	19.3	1.2	2.5	1.7	28.9	34.3	0.0
Comparable EBITDA	**-20.8**	**-11.2**	**19.5**	**2.3**	**43.5**	**54.1**	**62**	**458.6**	**296.4**	**319.7**	**1,136.7**	**285.3**

Net Result Adjustment €m	2020	Q1/21	Q2/21	Q3/21	Q4/21	2021	Q1/22	Q2/22	Q3/22	Q4/22	FY/22	Q1/23
Reported Net Result	**-275.5**	**-23.8**	**24.3**	**-35.4**	**44.2**	**9.3**	**76.6**	**215.9**	**54.7**	**69.7**	**416.9**	**139.1**
Gain & (Losses) on inventories and on inventories hedging derivatives net of taxes	23.4	-27.6	-45.3	-3.4	-87.1	-163.4	-63.3	-25.7	(31.8)	113.9	-6.9	22.9
Non-recurring items net of taxes	55.1	4.3	-2.8	0.0	16.6	18.1	0.0	97.0	126.4	76.4	299.8	0.0
Comparable Net Result	**-197**	**-47.1**	**-23.8**	**-38.8**	**-26.3**	**-136.0**	**13.3**	**287.2**	**149.3**	**260.1**	**709.8**	**162.0**

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Balance Sheet

EUR mln	31/12/2021	31/03/2022	30/06/2022	30/09/2022	31/12/2022	31/03/2023
Property, plants and equipment	1,227	1,209	1,188	1,158	1,147	1,141
Intangible assets	42	41	43	42	41	44
Right of use (IFRS 16)	45	47	45	42	45	43
Other investments	1	1	1	1	1	1
Fixed Assets	**1,314**	**1,298**	**1,277**	**1,244**	**1,234**	**1,229**
Trade receivables	547	658	691	804	729	538
Inventories	1,169	1,541	1,870	1,723	1,287	1,335
Trade and other payables	(1,581)	(1,920)	(2,232)	(2,127)	(1,444)	(990)
Commercial Working Capital	**135**	**278**	**328**	**400**	**572**	**882**
Other current assets / (liabilities)[1]	(116)	(171)	(312)	(479)	(429)	(516)
Net tax assets / (liabilities)[2]	15	(67)	(233)	(357)	(270)	(410)
Net Working Capital	**34**	**40**	**(217)**	**(436)**	**(127)**	**(44)**
Other not current asset / (liabilities)[3]	**(60)**	**21**	**4**	**105**	**(122)**	**(147)**
Total Net Capital Invested	**1,288**	**1,359**	**1,064**	**913**	**985**	**1,038**
Total equity	**(794)**	**(870)**	**(1,087)**	**(1,142)**	**(1,212)**	**(1,354)**
Net Financial Position	**(494)**	**(489)**	**23**	**229**	**227**	**316**
Total liabilities & shareholders' equity	**(1,288)**	**(1,359)**	**(1,064)**	**(913)**	**(985)**	**(1,038)**
IFRS 16 effect	(41)	(44)	(42)	(40)	(41)	(39)
Net Financial Position pre IFRS 16	**(453)**	**(445)**	**65**	**269**	**269**	**355**

1. Includes assets and (liabilities) for emission trading and essentiality regime reimbursement; 2. Includes assets & liabilities for income taxes. VAT and excise duties; 3. Includes provision for employee benefits, provision for risks/charges and other noncurrent asset / (liabilities)

Financials: CAPEX

CAPEX BY SEGMENT €m	2020 [1]	Q1/21	Q2/21	Q3/21	Q4/21	2021	Q1/22	Q2/22	Q3/22	Q4/22	2022	Q1/23
Industrial & Marketing	248.2	16.9	15.6	7.3	29.6	69.4	19.0	26.1	15.4	26.3	86.8	39.8
Renewables	7.5	4.8	2.9	0.7	0.0	8.4	5.1	0.7	0.2	12.9	18.9	1.3
TOTAL CAPEX	**255.7**	**21.7**	**18.5**	**8.0**	**29.6**	**77.8**	**24.1**	**26.8**	**15.5**	**39.2**	**105.7**	**41.1**

[1] 2020 historical financial results have been restated according to the new business segments

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Additional information: Industrial & Marketing

		Q1/20	Q2/20	Q3/20	Q4/20	FY20	Q1/21	Q2/21	Q3/21	Q4/21	FY21	Q1/22	Q2/22	Q3/22	Q4/22	FY22	Q1/23
EBITDA	€m	(95)	(23)	36	(12)	94	23	75	0.0	146.1	243.7	140.9	526.3	360.2	105.1	1,132.5	240.4
***Comparable* EBITDA**	*€m*	**54**	**14**	**(62)**	**(35)**	**(28)**	**(16)**	**14**	**(2.5)**	**25.2**	**20.7**	**46.6**	**452.7**	**290.7**	**308.9**	**1,098.9**	**279.3**
EBIT	€m	(143)	(73)	(19)	(107)	(341.3)	(23)	29	(49.5)	96.1	52.6	97.4	481.3	314.0	43.1	935.8	196.1
***Comparable* EBIT**	*€m*	**(6)**	**(35)**	**(117)**	**(94)**	**(240)**	**(61)**	**(33)**	**(52.0)**	**(24.8)**	**(170.4)**	**3.1**	**407.7**	**244.5**	**260.1**	**915.4**	**235.0**
CAPEX	*€m*	**97.0**	**88.1**	**36.7**	**26.3**	**248.2**	**16.9**	**15.6**	**7.3**	**29.6**	**69.4**	**19.0**	**26.1**	**15.4**	**26.3**	**86.8**	**39.8**
REFINERY RUNS																	
Crude oil	*ktons*	**3,138**	**2,293**	**2,903**	**3,036**	**11,369**	**3,185**	**3,367**	**2,937**	**3,489**	**12,978**	**2,804**	**3,550**	**3,476**	**3,339**	**13,168**	**3,415**
Crude oil	*Mbbl*	22.9	16.7	21.2	22.2	83.0	23.2	24.6	21.4	25.5	94.7	20.5	25.9	25.4	24.4	96.1	24.9
Crude oil	*bbl/d*	255	184	233	241	229	258	270	233	277	260	227	288	282	265	263	277
Complementary feedstock	*ktons*	**232**	**211**	**130**	**129**	**702**	**215**	**187**	**180**	**227**	**809**	**323**	**289**	**180**	**247**	**1,040**	**79**
REFINING MARGINS ($/bbl)																	
EMC Reference margin (new)		**1.5**	**0.4**	**-1.5**	**-1.2**	**-0.2**	**-2.2**	**-2.8**	**-1.3**	**-1.5**	**-2.0**	**-0.5**	**16.9**	**8.6**	**13.3**	**9.6**	**10.1**
EMC benchmark (old)		1.3	(0.7)	(1.8)	(1.0)	(0.5)	(1.4)	(1.6)	1.0	1.2	(0.2)	5.9	n.a.	n.a.	n.a.	n.a.	n.a.
Saras I&M margin		**6.9**	**7.3**	**2.0**	**2.7**	**4.7**	**3.4**	**4.5**	**4.9**	**5.0**	**4.5**	**8.4**	**22.5**	**15.3**	**17.5**	**16.4**	**16.2**

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Industrial & Marketing Fixed & Variable costs

		Q1/23	Q1/22	Δ	FY22
Refinery runs	*mln barrels*	24.9	20.5	4.5	96.1
Total variable costs	*€m*	**-152**	**-150**	**-2**	**-715**
of which:					
Industrial		-142	-141	-1	-672
Marketing		-11	-10	-1	-43
of which in "Essential Regime"		**87**	**68**	**19**	**342**
Net variable costs		**-65**	**-83**	**17**	**-373**
Total fixed costs	*€m*	**-99**	**-100**	**1**	**-396**
of which:					
Industrial		-94	-96*	2	-380
Marketing		-5	-4	-1	-16
of which in "Essential Regime"		**20**	**17**	**3**	**70**
Net fixed costs		**-78**	**-83**	**4**	**-326**

The sum of rounded numbers may not be the same as their rounded sum.

*Reclassification of commission costs for -3.5 €m from Industrial fixed costs to Gross margin

Crude Oil Slate and Production

REFINERY RUNS AND POWER PRODUCTION		Q1/23	Q1/22	2022
Crude oil	*K tons*	**3,415**	**2,804**	**13,168**
Complementary feedstock	*K tons*	**79**	**323**	**1,040**
Electricity production	***GWh***	**1,089**	**840**	**4,100**

CRUDE OIL SLATE		Q1/23	Q1/22	2022
Light extra sweet		**42%**	**41%**	**43%**
Light sweet		**13%**	**10%**	**10%**
Medium sweet/extra sweet		**0%**	**0%**	**1%**
Medium sour		**2%**	**23%**	**10%**
Heavy sour/sweet		**43%**	**26%**	**36%**
Average crude gravity	**° API**	**32.1**	**33.3**	**32.8**

PRODUCT YIELD [1]		Q1/23	Q1/22	2022
LPG	*k tons*	75	79	269
	Yield	**2.1%**	**2,5%**	**1.9%**
Naphtha	*k tons*	198	51	525
	Yield	**5.7%**	**1.6%**	**3.7%**
Gasoline	*k tons*	700	851	3,207
	Yield	**20.0%**	**27.2%**	**22.6%**
Middle distillates	*k tons*	1,582	1,561	7,344
	Yield	**45.3%**	**49,9%**	**51,7%**
VLSFO 0.5%	*k tons*	209	62	716
	Yield	6.0%	**2.0%**	**5.0%**
Other (*)	*k tons*	536	307	1,343
	Yield	**15.3%**	**9.8%**	**9.5%**

Balance to 100% are Consumption & Losses for site refining activities

[1] From crude Crude runs and feedstock

Q1'23 vs Q1'22

Higher refinery runs driven by better operating performances

Higher electricity production due to the higher requirements of the Essentiality regime

Heavier crude slate with higher share of heavy sour/sweet crudes due to higher electricity production

Lower medium sour crudes due to interruption of some crude import from Caspian region.

Diesel yield was reduced due to the maintenance carried out in the period

Additional information: Renewables

		Q1/20	Q2/20	Q3/20	Q4/20	FY20	Q1/21	Q2/21	Q3/21	Q4/21	FY21	Q1/22	Q2/22	Q3/22	Q4/22	FY/22	Q1/23
***Comparable* EBITDA**	*€m*	**2.4**	**0.9**	**0.7**	**3.4**	**7.4**	**4.5**	**5.9**	**4.8**	**18.2**	**33.4**	**15.4**	**5.9**	**5.7**	**10.8**	**37.8**	**6.0**
***Comparable* EBIT**	*€m*	**0.8**	**0.9**	**-0.9**	**1.8**	**0.9**	**2.9**	**4**	**2.9**	**16.1**	**25.9**	**13.3**	**3.7**	**3.5**	**9.4**	**29.9**	**3.9**
POWER PRODUCTION	*MWh*	**74,038**	**44,98**	**30,34**	**76,173**	**225,530**	**80,895**	**47,279**	**47,438**	**82,841**	**258,453**	**94,733**	**68,430**	**42,528**	**67,736**	**273,427**	**81,305**
POWER TARIFF	*€cent/kWh*	3.9	2	4.1	4.9	3.7	5.4	6.5	10.2	23.3	12.2	17.4	10.5	16.9	12.5	15.8	9.7
INCENTIVE	*€cent/kWh*	9.9	9.9	9.9	9.9	9.9	10.9	10.9	10.9	10.9	10.9	4.3	4.3	4.3	4.3	4.3	0.0
CAPEX		**0.3**	**0.6**	**0.8**	**5.9**	**7.5**	**4.8**	**2.9**	**0.7**	**0.0**	**8.4**	**5.1**	**0.7**	**0.2**	**12.9**	**18.9**	**1.3**

The sum of rounded numbers may not be the same as their rounded sum.

Additional Information

ESG Ratings

	Rating		Sector average trend	
Sustainalytics	31.8	+++	37	
MSCI	4.9	+	5.4	
Moody’s Vigeo Eiris	44	++	47	
S&P Global CSA	44	+++	32	
CDP Climate Change	C	-	B	
CDP Water Security	B	=	B	

ESG 2022 Performance and 2023 Targets

ESG	Key Performance Indicators - KPIs	Unit of Measure	2022	Target 2022	Average 2020-2022	Comments to Actual Results for 2022	Target 2023
E	Emission of CO2 (per kton of crude + complementary feedstock processed)	ton/kton	**429.6**	**Aligned to 2021 Target (414)**	440	Indicator influenced by maintenance, operations and external context (availability of crudes, product sales, etc.)	**-5% vs. 2020-2022 Avg. (425)**
E	Avoided CO2 emissions (with Energy Efficiency and Renewables)	kton	**308**	**+10% vs. Target '21 (> 330kton avoided)**	299	Result below the Target (already consolidated energy efficiency and renewables production reduced due to lower wind condition)	**Discontinued**
E	Emissions of SO2 (per kton of crude + complementary feedstock processed)	ton/kton	**0.203**	**Stable vs. 2019-21 Avg. (approx. 0.22)**	0.202	Result better than Target (plants optimization)	**Discontinued**
E	Emissions of NOx (per kton of crude + complementary feedstock processed)	ton/kton	**0.219**	**Stable vs. 2019-21 Avg. (approx. 0.23)**	0.225	Result better than the Target (due to consolidation of combustion technique and specific technological improvements)	**Discontinued**
E	Emission SO2 + NOx (per kton of crude + complementary feedstock processed)	ton/kton	**0.422**	**n/a**	0.427	A unified metric is introduced, which measures SO2 and NOx simultaneously	**Stable vs. Target '22 (< 0.450)**
E	Avoided SOx emissions Scope 3 (by Group customers purchasing VLSFO 0.5% vs. HSFO 3.5%S)	kton/year	**43**	**>35kton SOx avoided (about 600kt VLSFO)**	37.0	Result better than Target, thanks to important development of VLSFO sales	**+15% vs. Target 2022 > 40kton SOx avoided (about 680kt VLSFO)**
E	Refinery C&L (as a % of crude + complementary feedstock processed)	%	**5.65%**	**-1% vs. 2019-21 Avg. (6.14%)**	5.98%	Result better than Target (plants optimization)	**Stable vs. Target '22 (6.14%)**
E	Raw water withdrawn from regional provider (vs. total water consumption)	%	**28.0%**	**Stable vs. 2019-21Avg. (< 30%)**	28.1%	Result better than Target (thanks to the maximization of "water reuse" and good operations of sea water desalters)	**Stabile vs. Target '22 (< 30%)**
E	Waste output from Ecotec (vs. total waste produced by Sarlux)	%	**11.3%**	**Stable vs. 2019-21 Avg. (< 25%)**	14.8%	Result better than Target, thanks to the good performance of the Thermal Dryer Unit	**-20% vs. Target '22 (< 20%)**
E	Co-processing of raw vegetable oils at Sarlux desulphurization plants	kton/year	**64.6**	**+25% vs. Avg, 2019-21 (> 30kton)**	41.7	Result better than Target, with co-processing of raw veg-oils above Budget	**+50% vs. Target '22 (> 45kton)**
E	Energy production from renewable sources (wind/solar)	GWh	**273.4**	**+30% vs. 2019-21 Avg. (> 300GWh)**	252.4	Production from renewable sources influenced by lower wind conditions	**+15% vs. 2020-22 Avg. (> 290 GWh)**

ESG 2022 Performance and 2023 Targets

ESG	Key Performance Indicators - KPIs	Unit of Measure	2022	Target 2022	Average 2020-2022	Comments to Actual Results for 2022	Target 2023
S	Diffusion of wearable DSAs within Sarlux industrial site operators	# of instruments	**150**	**150**	120	**1st step** - 100 operators; **2nd step** - a further 50 BlackLine devices used by further 130 operators	**Increase diffusion of DSA (200 instruments)**
S	Injury Frequency rate within Sarlux personnel	#injuries*Mln / #hours_worked	**2.49**	**1.9**	2.90	In 2022, 4 Sarlux personnel injuries occurred (without serious consequences)	**Discontinued**
S	Injury Frequency rate within Sarlux personnel+ Sarlux Contractors	#injuries*Mln / #hours_worked	**4.66**	**Lower Avg. 2019-21 (1.7)**	2.86	Company focus on continuous improvement of safety conditions for all workers within the Sarroch industrial site	**New Target includes Third party Contractors (< 2.9)**
S	Safety observations (BBS) in Sarlux industrial site	# of BBS observations	**16,404**	**Stable vs. 2019-21 Avg. (about 22,000)**	19,220	Reduction of BBS due to smart-working (as a measure to prevent the Covid-19 contagion), and reduced number of inspectors in the field	**Stable vs. 2020-22 Avg. (about 20,000)**
S	Direct impact in Sardinia (of Wages to Group employees + Goods & Services purchased from local suppliers + Taxes & Duties paid in Sardinia)	€m	**444**	**about 450**	443	In line with the Target, thanks to a slight recovery in investments and wages; substantially stable local taxes (increase in IRAP, but reduction in excise payments)	**465 (+5% vs. 2020-22 Avg.) Growth from recovery in investments and wages; but uncertainty about sales in Italy and taxes paid locally**
S	Gender Diversity between Group's University Graduates	% female	**30.2%**	**Stable vs. Target 2021 (28% - 31%)**	30.7%	In line with Target	**Stable vs. Target '22 (> 30%)**
S	Training hours for total Group's Employees	Hours/year	**35,539**	**Stable vs. Target 2021 (about 25,000)**	42,544	Result higher than Target, thanks to training initiatives implemented, and to effectiveness of "Saras Learning" platform	**about 28,000**
S	Welfare (work-life balance) - introduce "agile" work in Group's Offices, wherever appropriate	Yes/No	**Yes**	**Yes**	Yes	Agile working was introduced in 2022 at Saras, Sarlux, Sartec, Sardeolica, Deposito Arcola and Saras Trading	**Discontinued**
S	Welfare – introduction of new program for the Group's Employees	Yes/No	**n/a**	**n/a**	n/a	New welfare program extended to Group's Employees	**Target 90% Group's Employees**

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ESG 2022 Performance and 2023 Targets

ESG	Key Performance Indicators - KPIs	Unit of Measure	2022	Target 2022	Average 2020-2022	Comments to Actual Results for 2022	Target 2023
G	Group's Employees with "Energy & Oil national contract", whose Productivity bonus is linked to ESG targets	%	100%	>95%	99%	Achieved total coverage of Group personnel; in fact, during the renewal of the Profitability Award for Sardeolica and Deposito di Arcola, ESG objectives were introduced	Discontinued
G	Top Management incentive linked to ESG objectives	% bonus linked to ESG/total bonus	n/a	n/a	n/a	Governance Target required by ESG Rating Agencies and Stakeholders at various levels, for Top Management incentive alignment towards Sustainable development	> 15 %
G	Internal Audits performed by Quality Mgmt System (QMS) and Internal Audit (IA) functions	# of audits	54	Stable vs. 2019-21 Avg. (53)	52	Result above Target: 43 audits performed by IA, and further 11 audits performed by QMS	Stable vs. Target '22 (53)
G	"Climate Change" and "Water Security" questionnaires organized by the CDP on an annual basis	Yes/No	Yes	Yes	Yes	Saras participated in the 2 questionnaires in July; CDP results in December with rating B on "Water Security", and C on «Climate Change»	Saras Ratings better or equal to "B"
G	Review and feedback "ESG Ratings" attributed to the Saras Group by leading international agencies	Yes/No	Yes	2 review/year	Yes	Moody's Vigeo Eiris revised (August), with rating improvement from 37 to 44; S&P Global CSA review (October), with rating improvement from 27 to 44; RSAI survey by ISPRA (May)	Discontinued
G	""ESG Ratings" assigned to the Saras Group by 4 agencies: Moody's V.E., Sustainalytics, MSCI, S&P Global	Delta % vs. Sector Avg.	9.2%	n/a	n/a	The algorithm equally weighs the ratings of the main 4 international agencies (25% each), and compares Saras vs. the Oil Sector Average (which is constantly evolving, and includes companies integrated and/or present in multiple parts of the Value Chain)	Saras Ratings > 3% of the sector average
G	External Stakeholders engaged in Group ESG strategy	# of people	n/a	>20	n/a	Metric no longer applicable, in consideration of the changes made by the new GRI to the process of determining material topics and associated impacts	Discontinued
G	ESG monitoring of the supply chain	% supplier monitored	n/a	n/a	n/a	Introduction ESG monitoring in the process of renewing the qualification of Sarlux suppliers (initially, the new ESG score will not impact the achievement of qualification)	70% of Sarlux supplier (> 50% answers)
G	Sustainability Commitee monitoring	# of meetings dealing with Sustainability topics	4	4	4	In line with the target. Sustainability topics were discussed in the following 4 meetings: 14/02 - Saras Group Sustainability Policy; 09/03 - Evaluation of the draft Sustainability Report and ESG indicators system; 12/05 - Sustainability update and PV «Helianto» plant; 25/07 - Progress of activities on the ESG rating	Increased to 5