ANNUAL FINANCIAL REPORT AS AT 31 DECEMBER

2024

Ascopiave Group

Gruppo ASCOPIAVE®

Index

Attachments:

- Declaration of the manager in charge - Attestations pursuant to Article 81-ter of Consob Regulation No. 11971;
- Report on Corporate Governance and Ownership Structure.

Board of Auditors:
- Report of the Board of Statutory Auditors on the financial statements for the year ended 31 December 2024.

Auditing Company:
- Auditor's Report on the Consolidated Financial Statements as at 31 December 2024;
- Auditor's Report on the Financial Statements for the Year Ended 31 December 2024;
- Auditor's Report on the Consolidated Sustainability Statement 2024.

GENERAL INFORMATION

Corporate bodies and Company information

Board of Directors and Board of Auditors

Name	Office	Duration of office	From	To
Cecconato Nicola*	Chairman of the Board of Directiors and CEO	2023-2025	18.04.2023	Approval of budget 2025
Pietrobon Greta	Directors	2023-2025	18.04.2023	Approval of budget 2025
Quarello Enrico	Directors	2023-2025	18.04.2023	Approval of budget 2025
Novello Cristian	Indipendet Director	2023-2025	18.04.2023	Approval of budget 2025
Monti Federica	Indipendet Director	2023-2025	18.04.2023	Approval of budget 2025
Vecchiato Luisa	Indipendet Director	2023-2025	18.04.2023	Approval of budget 2025
Zoppas Giovanni**	Indipendet Director	2023-2025	18.04.2023	Approval of budget 2025

(*) Cecconato Nicola was appointed Chief Executive Officer by the Board of Directors on 11 May 2023;

(**) Zoppas Giovanni was appointed Lead Independent Director by the Board of Directors on 11 May 2023.

Name	Office	Duration of office	From	To
Salvaggio Giovanni	President of the Board of Auditors	2023-2025	18.04.2023	Approval of budget 2025
Moro Barbara	Statutory Auditor	2023-2025	18.04.2023	Approval of budget 2025
Biancolin Luca	Statutory Auditor	2023-2025	18.04.2023	Approval of budget 2025

Governance committees

Control and Risk Committee

Name	Office	From	To
Novello Cristian	Independent director - President	11.05.2023	Approval of budget 2025
Monti Federica	Independent director	11.05.2023	Approval of budget 2025
Vecchiato Luisa	Independent director	11.05.2023	Approval of budget 2025

Remuneration Committee

Name	Office	From	To
Vecchiato Luisa	Independent director - President	11.05.2023	Approval of budget 2025
Novello Cristian	Independent director	11.05.2023	Approval of budget 2025
Pietrobon Greta	Non-executive director	11.05.2023	Approval of budget 2025

Sustainability Committee

Name	Office	From	To
Pietrobon Greta	Non-executive director - President	11.05.2023	Approval of budget 2025
Monti Federica	Independent director	11.05.2023	Approval of budget 2025
Quarello Enrico	Non-executive director	11.05.2023	Approval of budget 2025

External Auditors
KPMG S.p.A

Investor relations
Tel. +39 0438 980098
Fax +39 0438 964778
e-mail: investor.relations@ascopiave.it

Registered office and company information
Ascopiave S.p.A.
Via Verizzo, 1030
I-31053 Pieve di Soligo - TV Italy
Tel: +39 0438 980098
Fax: +39 0438 964778
Share Capital: Euro 234,411,575 fully paid-in
VAT 03916270261

Ascopiave Group economic and financial highlights

Economic Data

	Full Year		
(Thousands of Euro)	2024	2023	% of revenues
Revenues	204,958	180,794	100.0%
Gross operative margin (EBITDA)*	103,424	94,526	52.3%
Operating result	51,642	45,990	25.4%
Result from operating activities	36,500	36,621	20.3%
Net result for the year	36,500	36,677	20.3%

* Please note that EBITDA is defined as earnings before interests, taxes, depreciation and amortization.

Balance Sheet Data

(Thousands of Euro)	31th December 2024	31th December 2023
Net working capital	210,794	33,702
Fixed assets and other non current assets (Non-financial)	1,099,008	1,273,692
Non-current liabilities (excluding loans)	(64,412)	(63,749)
Net invested capital	**1,245,390**	1,243,645
Net financial position	(387,602)	(389,363)
Total Net equity	(857,789)	(854,282)
Total financing sources	**(1,245,390)**	(1,243,645)

Please note that 'net working capital' is defined as the sum of inventories, trade receivables, tax receivables, other current assets, trade payables, tax payables (within 12 months) and other current liabilities.

Monetary flow data

	Full Year	
(Thousands of Euro)	2024	2023
Total comprehensive income	**36,500**	**18,987**
Cash flows generated (used) by operating activities	101,184	4,336
Cash flows generated/(used) by investments	(67,598)	50,852
Cash flows generated (used) by financial activities	(51,485)	(80,022)
Net change in cash and cash equivalent	**(17,900)**	**24,834**
Cash and cash equivalents at the beginning of the year	**52,083**	**76,917**
Net change in cash and cash equivalent	**(17,900)**	**(24,834)**
Cash and cash equivalents at the end of the year	**34,183**	**52,083**

GROUP'S MANAGEMENT REPORT

Foreword

The Ascopiave Group closed the 2024 accounting period with a consolidated net profit of Euro 36.5 million (Euro 36.7 million as at 31 December 2023), showing a decrease of Euro 0.2 million compared to the previous year.
Consolidated equity as at 31 December 2024 amounted to Euro 857.8 million (Euro 854.3 million as at 31 December 2023), and net invested capital to Euro 1,245.4 million (Euro 1,243.6 million as at 31 December 2023).
During the year 2024, the Group made investments totalling Euro 81.1 million (Euro 87.6 million in 2023), mainly in the development, maintenance and modernisation of gas distribution networks and plants, as well as in the installation of electronic meters for Euro 61.8 million (Euro 61.6 million in 2023). At the end of the reporting year, investments were made in plants for the production of energy from renewable sources for Euro 15.9 million (Euro 23.6 million in 2023).
We note that the economic results achieved by Cogeide S.p.A. are recognised for the portion pertaining to the Group in the item "Net result of the companies accounted for using the equity method" for the entire accounting period, while, those achieved by the Estenergy Group, are recognised for the portion pertaining to the Group until 30 September 2024, subsequently, as indicated in the section "Significant events during 2024", Ascopiave and the Hera Group stipulated the deed of transfer by Ascopiave of 25% of the capital of EstEnergy with the consequent classification of the shareholding in assets held for sale.

Activities

The Ascopiave Group operates mainly in the natural gas distribution field. It currently holds concessions and direct assignments for the management of gas distribution in 301 municipalities, operating a distribution network that extends over 14,719 kilometres and providing the service to approximately 871,400 users.
The Group is also present in the renewable energy field, owning 29 hydroelectric and wind power plants.
The Group also operates in the field of cogeneration and heat management, as well as in the water sector, being a shareholder and technological partner of the company Cogeide, which manages the integrated water service in 15 municipalities, serving a basin of more than 100,000 inhabitants through a network of about 930 km.

Strategic Goals

The Ascopiave Group intends to pursue a corporate strategy focused on creating value for its stakeholders, maintaining levels of excellence in the quality of services offered, respecting the environment and enhancing the social instances that characterise the context in which it operates.
To this end, it intends to consolidate its leadership position in the gas sector at a regional level and aims to achieve significant positions also at a national level, taking advantage of the liberalisation process currently underway. The main lines of its development strategy are dimensional growth, diversification into other sectors of the energy sector synergic with the core business, and the improvement of operational processes.

Operating performance

The volume of gas distributed through the networks managed by the Group amounted to 1,456 million cubic metres, an increase of 1.7% compared to the previous year.
The distribution network as at 31 December 2024 had a length of 14,719 kilometres, a decrease of 11 kilometres compared to 31 December 2023. This change is mainly related to the transfer, effective 1 January 2024 of certain concessions in the ownership of Romeo Gas (now AP Reti Gas Nord Ovest).
The 29 plants producing electricity from renewable sources, with a total installed capacity of 84.1 MW, produced 217.6 GWh during the year, showing an increase of 44.3% compared to the previous year. The improvement compared to the comparable figure is due to both the commissioning of a new wind power plant of the subsidiary Asco Wind & Solar S.r.l, which took place at the beginning of 2024, and the improvement in operating conditions compared to the previous year, which was characterised by a significant drought.

Economic results and financial situation

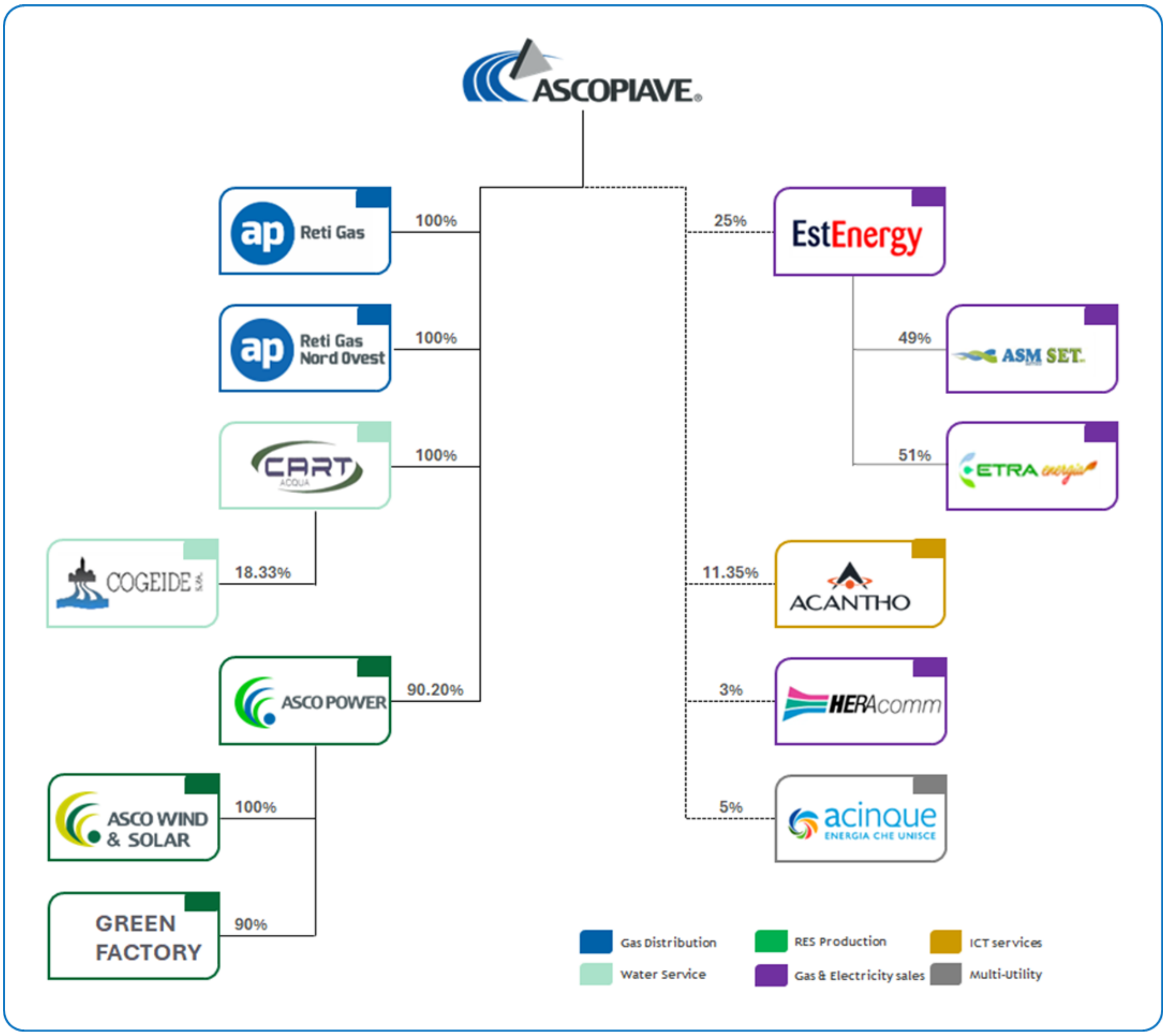
Consolidated revenue for 2024 amounted to Euro 205.0 million, compared to Euro 180.8 million in the previous year.
The Group's operating profit amounted to Euro 51.6 million, an increase of Euro 5.7 million compared to the previous year.
The consolidated net profit of Euro 36.5 million showed a decrease of Euro 0.2 million compared to the previous year.

The Group's Net Financial Position as of 31 December 2024 was Euro 387.6 million, down Euro 1.8 million from Euro 389.4 million as of 31 December 2023.
The decrease in financial debt is determined by the cash flow for the year (given by the sum of the net result, income from equity investments, the result of companies consolidated using the equity method and depreciation, amortisation and write-downs), which generated resources of Euro 80.3 million, by the management of net working capital, which generated financial resources of Euro 20.0 million, by investment activities, which absorbed resources of Euro 81.1 million, and by asset management (mainly dividends), which absorbed resources of Euro 17.5 million.

The ratio of Net Financial Position to Shareholders' Equity as at 31 December 2024 was 0.45 (0.46 as at 31 December 2023).

The Ascopiave Group Structure

The table below highlights the structure of the Ascopiave Group as at 31 December 2024.



The economic framework

In the year 2024, there was considerable economic resilience despite the uncertainties inherited from previous years. Since 2021, inflation has continued to rise due to the post-pandemic supply-demand mismatch. The Russian-Ukrainian conflict of 2022 further exacerbated the situation, driving up natural gas, oil and energy prices, negatively affecting consumer goods. Average inflation in Italy increased by 8.1%, mainly driven by energy costs.
In 2022, the Federal Reserve and the European Central Bank started to raise interest rates to curb inflation, with effects visible as early as 2023, when inflation fell to 5.7 per cent. The ECB gradually raised the reference rate to a plateau of 4.5%. The interest rate was basically confirmed until September 2024 when, in view of the positive signals from the consumer price index trend, the ECB announced the first of the subsequent cuts (at the end of the year the reference rate was 3.4%). In Economic Bulletin No. 1 of 2025, Banca D'Italia points out that the markets expect a further reduction of 75 basis points in the course of 2025.
The OECD, in its Economic Outlook of December 2024, showed that consumer prices continued to moderate, with inflation rates falling back to central bank targets in most economies. In Italy, Istat reported that the national consumer price index (NIC), gross of tobacco products, increased by 1.3% on December 2023, while, on average, consumer prices grew by 1.0% in 2024 (compared to +5.7% in 2023).
In its December 2024 *economic outlook*, the OECD forecasts global growth of 3.3% for the year 2024 and substantial stabilisation for the years 2025 and 2026, supported by low inflation and less restrictive monetary policies. The G20 countries are expected to maintain stable growth of 3.3%, while the Eurozone is expected to grow by 0.8%, for the year just ended, prior to increasing to 1.3% in 2025 and 1.5% in 2026.
As for Italy, GDP is estimated to grow at 0.5 % in 2024, with an improvement in the following years (0.9 % in 2025 and 1.2 % in 2026). The debt ratio is expected to increase, but the deficit is expected to improve. Inflation is expected to stay below 2%.
The unemployment rate in Italy is expected to be 6.5 per cent in 2024, with a subsequent reduction to 6 per cent in 2025 and 5.8 per cent in 2026.
The main risks for the global economy, and the ones that could most influence the estimates stated, include rising tensions, protectionism and evolving geopolitical conflicts.

Gas distribution

The distribution of natural gas, following the closing of the partnership between Ascopiave S.p.A. and the Hera Group on 19 December 2019, represents the core business *of* the Group's activities in terms of its contribution to the formation of the operating result.
This is an activity performed under a concession, subject to strong regulation by the public sector authority (ARERA), both with regard to the minimum standards of management and quality of service, and to the related tariff remuneration.
As is well known, Legislative Decree No. 164/2000 introduced the obligation to entrust the gas distribution service by means of a public tender, wishing to implement the so-called 'competition for the market', on the assumption of the need for unitary management (therefore under a necessary monopoly regime) of the service and plants, as well as on the consideration that a competitive selection mechanism should favour a containment of costs for the end customer, an efficient development of the plants and an improvement in the quality of the service provided.
Decree-Law 159/2007 (converted, with amendments, into Law 222/2007), with Article 46-bis, introduced, for the first time, the concept of Ambito Territoriale Minimo (Atem – hereinafter Minimum Territorial Area) for the management of the service, establishing that tenders must be announced with reference to the Atem, not to the individual municipality as was the case in the past.
The Atem tender was definitively adopted as the basic rule with Legislative Decree 93/2011, which, among other things, sanctioned, as of June 2011, the ban on tenders for individual municipalities.
Following a number of corporate transactions, at present, the Ascopiave Group, through two gas distribution companies, manages concessions for the gas distribution service in a total of 301 municipalities, with about 870,000 Redelivery Points and 1,456 million cubic metres of scm vetted (on an annual basis).
For more details, please refer to the section "Territorial Scope" of this Annual Financial Report.

The regulatory framework

Natural gas distribution field

Resolution of 28 December 2023 622/2023/R/com - Revision of the modalities for updating social bonuses and amendments to Authority Resolution 63/2021/R/com The measure modifies the modalities for updating and quantifying social bonuses and revises, for the protection of customers/users, certain operating methods for recognising bonuses.

Resolution of 28 December 2023 631/2023/R/gas - Update of tariffs for gas distribution and metering services for the year 2024 The measure approves the mandatory tariffs for natural gas distribution, metering and marketing services for the year 2024.

Resolution 636/2023/R/gas of 28 December 2023 - Integration of Articles 91 and 92 of the RQDG on the subject of replacing traditional gas meters that are inaccessible or partially accessible where it is not possible to take at least one reading per year The measure provides for additions to Articles 91 and 92 of the RQDG on the subject of replacing traditional gas meters that are inaccessible or partially accessible where it is not possible to take at least one reading per year with gas smart meters.

Resolution 30 January 2024 19/2024/R/gas - Update of the interest rate to be applied for the determination of the reimbursement, to outgoing operators, of the amounts relating to the one-off consideration for the coverage of tender charges for the entrusting of the natural gas distribution service The measure approves the values of the interest rate to be applied for the determination of the reimbursement to the outgoing operators of the amounts for the coverage of the tender charges mentioned in Decree 226/11, for the year 2024.

Resolution of 06 February 2024 35/2024/R/gas - Initiation of proceedings for the simplification and acceleration of procedures for carrying out tenders for the natural gas distribution service The purpose of the measure is to initiate proceedings for the simplification and acceleration of the procedures for carrying out tenders for the natural gas distribution service.

Resolution of 05 March 2024 66/2024/R/gas - Opening of proceedings for the possible recognition, on an extraordinary basis, of the effects deriving from the adjustments to the ISTAT data used for the purposes of determining the change in the deflator of gross fixed capital formation, with reference to gas distribution and measurement services The subject of the procedure is the possible recognition, on an extraordinary basis, of the effects of the revision, by Istat, of the historical series of the data used to calculate the rate of variation of the deflator, with respect to those used for the purposes of Resolution 631/2023/R/gas.

Resolution 19 March 2024 94/2024/R/gas - First provisions regarding the regulation of guarantees for access to the natural gas distribution service. Introduction of the cautionary deposit in the list of admissible guarantees for the gas distribution contract framed in the Gas Distribution Network Code.

Resolution 26 March 2024 104/2024/R/gas - Amendments to Article 26 of the Regulation on the Quality of Gas Distribution and Metering Services (RQDG) The measure repeals Article 26, paragraph 2, of the RQDG, which provided for the communication to the Authority by 31 March of the following year of a series data and information relating to the monitoring of operating pressure in low-pressure natural gas distribution networks. This communication will be replaced by a special data collection.

Resolution of 28 March 2024 113/2024/R/com - Update, as of 1 April 2024, of the tariff components intended to cover general charges and other components of the electricity and gas sectors The measure publishes the quarterly update of general electricity and gas charges.

Resolution 09 April 2024 130/2024/E/gas - Approval of telephone checks and inspections of gas distribution companies regarding emergency gas intervention. The measure launches the campaign of telephone checks and inspections on compliance with the regulations on gas emergency response.

Resolution of 09 April 2024 134/2024/R/gas - Redetermination of reference tariffs for gas distribution and metering services for the years from 2017 to 2022 The measure redetermines the tariffs for gas distribution and metering services for the years from 2017 to 2022 in order to take into account: (i) the acceptance of requests for tariff redetermination related to the discovery of previously unavailable accounting documentation and (ii) requests for adjustments submitted by distribution companies. This measure also redetermines the reference tariffs for the years 2020 to 2022, limited to the portion relating to the coverage of the recognised operating costs for the distribution service, in order to take account of the correction of the calculation error detected by the Regional Administrative Tribunal as part of the appeals against Resolution No. 570/2019/R/GAS, which took place with Resolution No. 409/2023/R/GAS.

Resolution 16 April 2024 146/2024/R/gas - Determination of the definitive reference tariffs for gas distribution and metering services for the year 2023 The measure approves the definitive reference tariffs for gas distribution and metering services for the year 2023, on the basis of the provisions of Article 3(2) of the RTDG, taking into consideration requests for data adjustments submitted by the date of 15 February 2024.

Resolution 08 May 2024 173/2024/R/gas - Recognition, on an extraordinary basis, of the effects deriving from revisions of Istat data used to determine the variation of the deflator of gross fixed investments, for gas distribution and measurement services The resolution concludes the procedure for the recognition, on an extraordinary basis, of the effects deriving from the revisions of the Istat data used to determine the variation of the deflator of gross fixed investments, for gas distribution and metering services.

Resolution 186/2024/R/gas of 14 May 2024 - Determination of provisional reference tariffs for gas distribution and metering services for the year 2024 and redetermination of definitive reference tariffs for the year 2023. Amendments to the RTDG. The measure approves the provisional reference tariffs for gas distribution and metering services for the year 2024 and redetermines the definitive reference tariffs for the year 2023 for certain locations.

Resolution 10 July 2024 283/2024/R/efr - Determination of the tariff contribution to be recognised to distributors within the framework of the energy efficiency certificates mechanism, for the obligation year 2023 The measure approves the tariff contribution to be recognised to distributors fulfilling their energy-saving obligations under the TEE mechanism for the 2023 obligation year.

Resolution 16 July 2024 296/2024/R/gas - Approval of the integrated text of the Authority's provisions on natural gas distribution tenders. The resolution approves the integrated text of the Authority's provisions on natural gas distribution tenders.

Resolution 303/2024/R/gas of 23 July 2024 - Entry into force of the mechanism for making distribution companies responsible for delta in-out management The measure postpones by one year the entry into force of the simplified mechanism for making distribution companies responsible for managing delta in-out adopted with Resolution 386/2022/R/gas, intervening on paragraph 2.1 of Resolution 494/2023/R/gas.

Resolution of 30 July 2024 339/2024/R/com - Initiation of proceedings for the revision of the metrics for the revaluation of capital costs for electricity and gas infrastructure services The document provides for the opening of proceedings for the revision of the metrics for the revaluation of capital costs for electricity and gas infrastructure services.

Resolution 30 July 2024 344/2024/R/gas - First determination of the premiums and penalties relating to safety recoveries of the natural gas distribution service for the year 2020 The measure provides for the first determination of the premiums and penalties relating to the safety recoveries of the natural gas distribution service for the year 2020.

Resolution 24 September 2024 376/2024/R/gas - Redetermination of reference tariffs for gas distribution and metering services for the years 2015 to 2023 The measure redetermines the values of the reference tariffs for natural gas distribution and metering services for the tariff years from 2015 to 2023 pursuant to the operational methods indicated in Determination 1/2023 DINE and on the basis of the smart meter disposals communicated as part of the extraordinary session of RAB GAS data collection.

Resolution of 24 September 2024 379/2024/R/gas - Revision of the annual withdrawal level of the redelivery point served as part of the distribution default service, beyond which the distribution company is required to file a law suit to obtain the physical disconnection of the delivery points (pdr). The measure defines the new annual withdrawal level of the redelivery point served in the context of the distribution default service, beyond which the distribution company is required to file a law suit to obtain the physical disconnection of the delivery points (pdr).

Resolution of 27 September 2024 384/2024/R/com - Update, as of 1° October 2024, of the tariff components intended to cover general charges and other components of the electricity and gas sectors. Provisions regarding the TIVG and RTTG components. The measure provides for the update, as of 1 October 2024, of the general charges and further components for the electricity and gas field.

Resolution 489/2024/R/gas of 19 November 2024 - Redetermination of reference tariffs for gas distribution and metering services for the years 2013 to 2023. Correction of material errors reference tariffs 2023. The measure provides for the incorporation of data rectification requests submitted by distributors, as well as corrections resulting from the correction of the material error found in the determination of the definitive reference tariffs for the year 2023.

Resolution 490/2024/R/gas of 19 November 2024 - Second determination of the premiums and penalties relating to the safety recoveries of the natural gas distribution service for the year 2020 The measure provides for the second determination of the premiums and penalties relating to the safety recoveries of the natural gas distribution service for the year 2020.

Resolution of 28 November 2024 513/2024/R/com - Update of the rate of return on capital employed for the sub-period 2025-2027 and of the beta asset parameter for infrastructure services in the electricity and gas sectors The measure provides for the updating of the relevant parameters for the purpose of determining the rate of return on capital subject to revision for the sub-period 2025-2027 pursuant to the TIWACC (Annex A to Resolution 614/2021/R/com), and of the beta asset parameter, with reference to the infrastructure services of the electricity and gas sectors.

Resolution No. **560/2024/R/gas of 17 December 2024** - Initiation of proceedings to comply with the Lombardy Regional Administrative Court rulings Nos. 3008, 3014, 3015, 3016, 3017, 3018, 3019 and 3020 of 4 November 2024, governing the updating of the CRVst component of the gas transportation tariff for the July/September 2023 quarter. The measure initiates proceedings to comply with the aforementioned rulings of the Lombardy Regional Administrative Tribunal (TAR), which annulled the confirmation, made with Resolution 297/2023/R/com, of the value of the additional CRVst component to the gas transportation tariff for the July/September 2023 quarter.

Resolution 27 December 2024 587/2024/R/gas - Update of tariffs for gas distribution and metering services for the year 2025 The measure approves the compulsory tariffs for natural gas distribution, metering and marketing services and the bimonthly advance equalisation amounts related to the natural gas distribution service, pursuant to Article 47 of the RTDG, for the year 2024. The maximum amount of the recognition of higher charges resulting from the presence of concession fees, as per Article 59 of the RTDG, for distribution companies that have submitted a request and provided appropriate documentation, is approved. Finally, the measure extends to 31 December 2025 the deadline for the conclusion of the proceedings initiated by Resolution 634/2021/R/gas.

Resolution dated 27 December 2024 599/2024/R/com - Update, as of 1 January 2025, of the tariff components intended to cover general charges and other components of the electricity and gas sectors. Provisions regarding the TIVG and RTTG components. Changes to the TIPPI. This measure updates the general charges and further components of the electricity and gas field with effect from 1 January 2025.

Renewable energy production field

The year 2024 saw a reduction in energy prices compared to the year 2023, where the PUN had recorded an average value of Euro 127.24/MWh (Euro 108.52/MWh in 2024). The drop in energy market prices brought to an end the application of the extraordinary levy measures by the Italian government against energy operators, which were applied until mid-2023 specifically:

- Article 37 of Law Decree No. 21 of 21 March 2022 ("Energy Decree"), which aimed to tax the extra profits made by energy companies consequent to the increase in raw material costs. Measure extended also for the year 2023 with redefinition of the calculation mechanism and the percentage to be applied as a contribution (Law No. 197/2022 'Budget Law 2023'). It should be noted that the Group was not included in the requirements triggering the burden of the contribution for the year 2023;

- Article 15-bis of Law no. 25 of 28 March 2022 (conversion of Decree-Law no. 4 of 27 January 2022 - "Support Decree-*ter*"), later extended in duration by Decree-Law no. 115 of 9 August 2022 - "Aid Decree-bis" (converted by Law no. 142 of 21 September 2022). This regulatory measure, referring only to energy produced by plants not operating under the incentive scheme, provided for the payment to the GSE of excess revenues from sales made at a price higher than the reference price, equal to Euro 58/MWh (value for plants operated by the Group) for the period between 1 February 2022 and 30 June 2023. It should be noted that the Group was included in the requirements triggering the burden of the contribution for the period covered by the rule.
  It should be noted that this rule was the subject of an appeal to the Lombardy Regional Administrative Court (TAR) with ruling 2676/22 that had annulled ARERA's Resolution 266/2022, as well as the GSE's Technical Rules for calculating the amounts in application of the envisaged mechanism. This annulment is based on the Resolution's non-compliance with European regulations in this area.

ARERA and GSE then appealed against the TAR rulings; the hearing on the merits was set by the Council of State for 5 December 2023. The case was then postponed to a date to be determined pending the decision of the EU Court of Justice. The latter set the trial hearing for 6 November 2024, where the compatibility of the rules described was discussed with EU law and, specifically, with the emergency measure set forth in Regulation No. 2022/1854/EU, which introduces a reference of Euro 180/MWh as a cap applicable to energy prices within the EU from sources not subject to marginal production costs. Energy produced from renewable sources is therefore covered by this provision.
In the meantime, the fulfilments related to ARERA Resolution 266/2022 remain suspended.

Regional Law Veneto n. 24 dated 04 November 2022 - Provisions governing concessions for large water diversions for hydroelectric use in implementation of Article 12, Legislative Decree dated 16 March 1999, n. 79 "Implementation of Directive 96/92/EC establishing common rules for the internal market in electricity".
The Veneto Region has issued the law regulating the granting of concessions for large derivations for hydroelectric use, i.e. for concessions with a nominal power of 3 MW or more.
The law establishes that the works intended for hydroelectric use (the so-called 'wet works') pass, at the end of the concession, to the Veneto Region, which will also define the management method (entrusting by public tender, entrusting to companies with mixed public and private capital).
In addition, Article 13 of Regional Law No. 24 establishes the amount of the fees due, starting from the year following the entry into force of this Law, by the holders of large derivation concessions, equal to a minimum of Euro 40/kW of concession power as a fixed fee and a minimum of 5% of the normalised revenues as a variable fee.

Law No. 118/2022 ('Competition Law 2021'). The national legislation has introduced specifications that the procedures for awarding large derivation concessions must consider, such as:

- be based on competitive, fair and transparent parameters, taking into account the economic valorisation of rents, infrastructure improvements and rehabilitation;
- provide the incoming concessionaire with adequate compensation, within the limits of what has already been paid to the outgoing concessionaire;
- define the duration of the concession on the basis of economic metrics based on the size of the proposed investments;
- determine the environmental and territorial compensation measures to the territories of the municipalities affected by the presence of the works.

This Law also introduced the obligation for the Regions and Autonomous Provinces to initiate the procedures for the assignment of large derivation concessions by 31 December 2023, while extending the deadline for the continuation of concessions that had already expired prior to the assignment to 27 August 2025, compared to the date of 31 December 2024 previously in force.
The Group holds a large derivation concession that has expired as of today.

Regione Lombardia - D.g.r. 2153 dated 8 April 2024 - with this decree the amount of the fixed component of the state fee for the use of public water pertaining to the year 2024 is updated to 64.05 Euro /KW, to be applied on the concession power, following an update based on the change in the ISTAT index relating to the industrial price for the production, transport and distribution of electricity. This component is lower than the Euro 93.37/KW in force for the year 2023, consequent to the reduction in the price of energy in the year 2024 compared to the year 2023. In fact, the ISTAT figure refers to the previous year with respect to the accrual of the state fee.

Efficiency and energy-saving obligations

Article 16(4) of the Letta Decree states that natural gas distribution companies must pursue energy-saving goals and the development of renewable sources.
The definition of the national quantitative targets and the principles for evaluating the results obtained was delegated to the Ministry of Economic Development, in agreement with the Ministry of the Environment and Land Protection, which issued the Ministerial Decree of 20 July 2004.
With the Decree of 21 December 2007, the Ministry of Economic Development revised and updated the Decree of 20 July 2004 in the following points:

- targets for the years 2008 and 2009 were revised, in light of the oversupply of energy efficiency certificates on the market;
- targets were set for the three-year period 2010-2012, taking into account the energy consumption reduction target of 10.86 MTEP set by the action plan to 2016;
- energy efficiency and energy-saving obligations were extended for each year subsequent to 2007 to distributors who, on 31 December of two years prior to each year of obligation, have more than 50,000 end customers connected to their distribution network.

The achievement of energy savings is certified through the award of energy efficiency certificates, the so-called White Certificates. In order to fulfil their obligations under the Decree of 20 July 2004, supplemented by the Decree of 21 December 2007, and thus be awarded White Certificates, distributors may:

- perform interventions to improve the energy efficiency of the technologies installed or the way they are used;
- purchase White Certificates directly from third parties, either through bilateral trading or by trading on a special market set up at the Electricity Market Operator (GME).

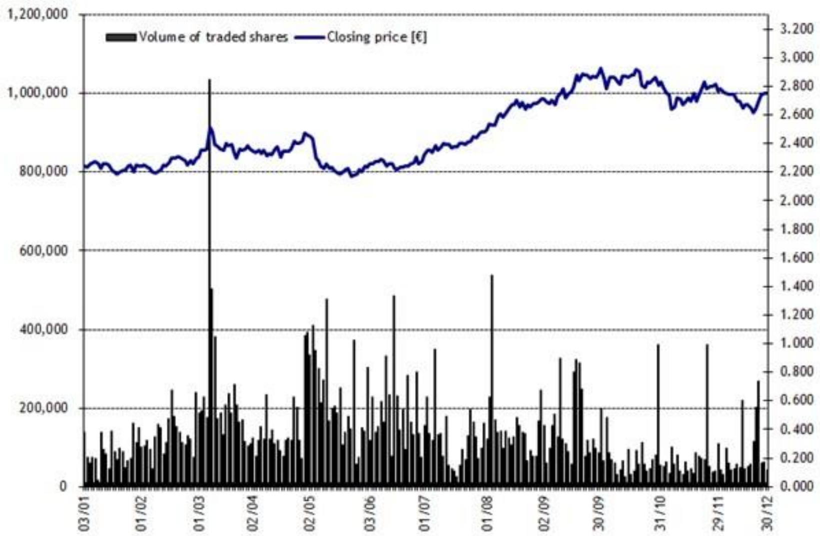
The Decree of 28 December 2012 defined the annual primary energy-saving targets in the period 2013-2016 for obligated distributors and established a minimum quantity of bonds to be delivered upon reaching the natural expiry date of the regulatory year equal to 50% of its annual obligation for the years 2013-2014 (to be offset in the following two-year period in order not to incur penalties) and equal to 60% for the two-year period 2015-2016; again with the possibility of offsetting in the following two-year period in order not to incur penalties.
In addition, the Decree of 28 December 2012 implemented the provisions of Decree 28/2011 whereby the management, evaluation and certification of savings related to energy efficiency projects conducted under the white certificates mechanism are transferred to the GSE - Gestore dei Servizi Energetici, Energy Services Manager.
The Decree also extended the possibility of submitting projects for white certificates to parties other than distribution companies and Energy-Saving Companies (so-called ESCOs).
The Decree of 11 January 2017 (Official Gazette No. 78, 3-4-2017) determined the national energy-saving targets for obligated distributors in the period 2017-2020 and defined new guidelines for the submission of energy efficiency projects, modifying the previous mechanism by eliminating the 'tau' coefficient, standardised sheets, and extending the useful life of projects.
The Ministerial Decree of 10 May 2018 modified the mechanism for valuing the contribution recognised to obligated parties for the cancellation of securities by introducing a cap of 250 euro/TEE as the maximum reimbursement. In addition, given the scarcity of securities compared to demand, the short certificate was introduced, i.e. a security issued by the GSE at the request of the obligated distributor that has at least 30% of the securities of the current target in its portfolio. The short certificate could cost up to a maximum of Euro 15/TEE and could eventually be redeemed the following year by the distributor.
With its resolution of 14 July 2020, ARERA revised the calculation of the tariff contribution by adding, among other things, the additional contribution that considers the market price of the target year and the scarcity of securities on the market.

The Ministerial Decree of 21 May 2021 sanctioned the national targets for the period 2021-2024, with substantially reduced targets compared to the previous four-year period, as well as modified downwards the 2020 target for gas distributors from 3.17 to 1.57 million white certificates.
The companies of the Ap Reti Gas S.p.A. Group and AP Reti Gas Nord Ovest S.p.A., subject to the obligations defined by the Decrees of 21 May 2021 and 11 January 2017, are required to comply with the energy-saving targets determined annually by the GSE.
The GSE is responsible for verifying that each distributor holds the energy efficiency certificates corresponding to the annual target assigned (increased by any additional quotas for offsets or updated following the introduction of new national quantitative targets) and for informing the Ministry of Economic Development, the Ministry of the Environment and Territorial Protection, and the Electricity Market Operator of the certificates received and the results of the verifications.
Should a distributor fail to reach the set target, it may be subject to an administrative penalty imposed by the Authority for Electricity, Gas and the Water System, in implementation of Law No. 481 of 14 November 1995 and the indications of the Decree of 28 December 2012.
For more information on energy efficiency and energy-saving for Group companies, please refer to the section on 'Energy Efficiency and Energy-saving'.

Ascopiave S.p.A. share price performance on the Stock Exchange

As of 30 December 2024, the Ascopiave share price was quoted at Euro 2.750 per share, an increase of 22.8 percentage points compared to the price at the beginning of 2024 (Euro 2.240 per share, referring to 3 January 2024).

Market capitalisation as of 26 February 2025 was Euro 693.86 million[1] (Euro 527.43 million[2] as of 29 December 2023).



The share price during the accounting period 2024 showed an improved performance (+22.8%). During the same period, the FTSE Italia All Share index and the FTSE Italia Utilities sector index also showed an increase of 13.1% and 4.2%, respectively, while the FTSE Italia Star index decreased by 2.2%.

The table below shows the main share and stock market data as at 30 December 2024:

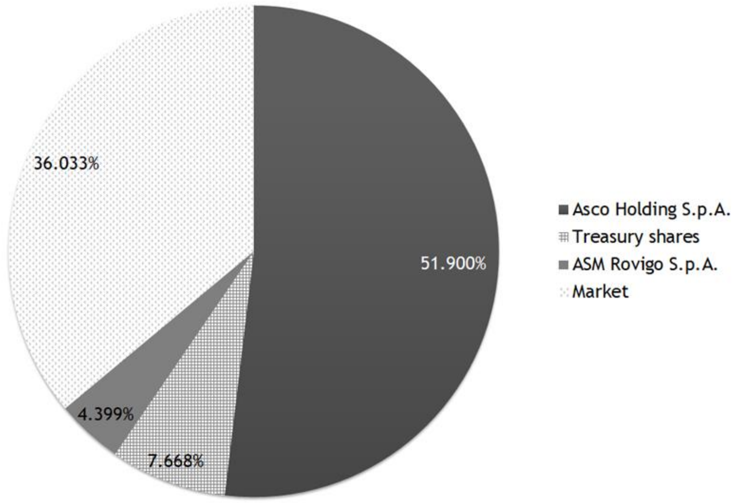
Share and stock-exchange data	30.12.2024	29.12.2023
Earning per share (Euro)	0.17	0.17
Net equity per share (Euro)	3.92	3.91
Placement price (Euro)	1.800	1.800
Closing price (Euro)	2.750	2.250
Maximum annual price (Euro)	2.885	2.910
Minimum annual price (Euro)	2.170	1.948
Stock-exchange capitalization (Million of Euro)	644.63	527.43
No. of shares in circulation	216,437,856	216,709,997
No. of shares in share capital	234,411,575	234,411,575
No. of own share in portfolio	17,973,719	17,701,578

[1] The stock market capitalisation of the main listed companies operating in the local public services sector (A2A, Acea, Acinque, Hera and Iren) on 26 February 2025 was 19, 2 billion. Official data taken from the Borsa Italiana website (www.borsaitaliana.it).
[2] Internal processing.

Controlling the company

As of 31 December 2024, Asco Holding S.p.A. directly controlled the majority of Ascopiave S.p.A. capital.

Ascopiave S.p.A. is included in the updated list of "Small and Medium Enterprises" (SMEs) pursuant to Article 1, paragraph 1w-*quater*. 1) of Legislative Decree No. 58/1998 (TUF), published on Consob's institutional website, as per Consob Determination No. 105 of 22 May 2024. Therefore, pursuant to Article 120 of the Consolidated Law on Finance, the following chart shows the relevant shareholders of Ascopiave S.p.A. that hold a stake in the voting capital greater than 5%.



Internal processing on information received by Ascopiave S.p.A. pursuant to Article 120 of the Consolidated Law on Finance and based on information in the company's possession.

Corporate Governance and Code of Ethics

During the 2024 accounting period, Ascopiave S.p.A. continued along the path of developing the corporate governance system set up in previous years, strengthening the risk management system and making further improvements to the tools aimed at protecting investors' interests.

Internal Control

The activity plan of the Internal Audit Manager is approved annually by the Board of Directors of the Company. In particular, the audit activities framed in the aforementioned activity plan, based on a prioritisation process of the main risks, concern both compliance areas and the corporate processes referable to the business areas considered most strategic.

Manager in charge

The Executive in Charge of Financial Reporting, with the help of the Head of Internal Auditing and the Compliance Function, which is part of the Legal and Corporate Affairs Department, reviewed the adequacy of administrative and accounting procedures as part of the verification activities, and continued to monitor and update the procedures deemed relevant for the purposes of compiling financial information. We also inform you that the Compliance Function supported the Manager in charge, in collaboration with the Sustainability Function, which is part of the Legal and Corporate Affairs Department, as well as in coordination with the Head of Internal Auditing, in the preparation of a new administrative and accounting procedure pursuant to Law No. 262/2005 for the purpose of describing the activities, control measures and related managers involved in the process of preparing the Consolidated Sustainability Statement of the Ascopiave Group drafted pursuant to Legislative Decree No. 125/2024. For this purpose, the Company is also equipped with continuous auditing tools, which allow for the automation of control procedures.

Organisation, management and control model pursuant to Legislative Decree 231/2001

Ascopiave S.p.A. and its subsidiaries adopt an Organisational, Management and Control Model; they have adhered to the Code of Ethics of the Ascopiave Group, a document updated by the Board of Directors of Ascopiave S.p.A. on 10 September 2021.
In its meeting of 30 July 2024, the Board of Directors of Ascopiave S.p.A. adopted the latest update to the Organisation, Management and Control Model of Ascopiave S.p.A., consequent to both the regulatory changes that have occurred in the meantime and the changes in the corporate and Group structure.
The Company, availing itself of the activity of the Supervisory Board, constantly monitors the effectiveness and adequacy of the Model adopted.
On 9 November 2023, following the supervening force of Legislative Decree 24/2023, implementing the EU Directive 2019/1937 on "Whistleblowing", Ascopiave S.p.A. approved an update to the "Procedure for the management of Whistleblowing in the Ascopiave Group", adopted by all the Group's subsidiaries, an integral part of Model 231 (Annex 3 of the Organisation, Management and Control Model).
The Company also continued its activities to promote, raise awareness and understanding of the Code of Ethics among all its stakeholders, especially in the context of commercial and institutional relations.
Please note that Model 231 (General Part) and the Code of Ethics are available in the *corporate governance* section of the website www.gruppoascopiave.it.
During 2024, the drafting and adoption, as well as the periodic updating of the organisation, management and control models of all the subsidiaries of the Ascopiave Group continued. The aforementioned drafting and updating activities, for some Group companies, were completed during 2023, while for the remaining ones, including Ascopiave S.p.A., they were completed during the 2024 accounting period. Following the extraordinary intercompany transactions, effective as of 11:59 p.m. on 31 December 2024, the models of the companies involved will be further updated, so as to allow them to be aligned to the corporate situation that has arisen.

Transactions with related and affiliated parties

The Group has the following transactions with related parties which produce the following types of operating costs:
- ✓ Administrative services from the parent company Asco Holding S.p.A..

The Group has the following transactions with related parties which produce the following types of operating revenues:
- ✓ Administrative and personnel services from Ascopiave S.p.A. to the parent company Asco Holding S.p.A..

During the accounting period 2024, relations with affiliated companies generated revenues in connection with the following types of services:
- ✓ Natural gas transport service on local distribution network;
- ✓ Meter services performed as natural gas distributors and meter reading services;
- ✓ Administrative, IT, personnel and facility services;
- ✓ Dividends resolved by the shareholders' meeting.

It is emphasised that these relations are based on maximum transparency and on market conditions.
For the individual reports, please refer to the explanatory notes of this report.

The table below shows the economic and financial substance of the relationships already described:

	31.12.2024				Revenues			Costs		
(Thousands of Euro)	Trade receivables	Other receivables	Trade payables	Other payables	Goods	Services	Other	Goods	Services	Other
Asco Holding S.p.A.	51	174	21	0	0	201	0	0	70	0
Total parent company	**51**	**174**	**21**	**0**	**0**	**201**	**0**	**0**	**70**	**0**
Cogeide S.p.A	33	0	0	0	0	399	202	0	0	0
ASM Set S.r.l.	503	0	0	0	0	2,321	0	0	0	0
Etra Energia S.r.l.	51	0	0	0	0	170	0	0	0	0
Estenergy S.p.A.	14,095	0	0	0	0	51,784	0	0	0	0
Total subsidiary companies	**14,683**	**0**	**0**	**0**	**0**	**54,674**	**202**	**0**	**0**	**0**
Total	**14,733**	**174**	**21**	**0**	**0**	**54,875**	**202**	**0**	**70**	**0**

It should be noted that during the fourth quarter of the accounting period, the parent company Ascopiave exercised the existing put option on the equity investment held in Estenergy S.p.A.. The transaction will be finalised during the 2025 accounting period and consequently the value of the equity investment, measured at 30 September 2024 using the equity method of valuation, has been reclassified to the item 'assets held for sale' in compliance with the dictates of the international accounting standard IFRS 5.

Significant events during the accounting period 2024

Early termination of Prelios financing

In January 2024, the subsidiary Asco EG S.p.A. (now "Asco Power S.p.A.") extinguished early the loan signed with Prelios. The residual debt, equal to Euro 9,043 thousand, as of 31 December 2023 was posted among medium- and long-term loans for Euro 7,652 thousand and among payables to banks and short-term loans for Euro 1,391 thousand.

Strategic Plan 2024-2027

On 18 March 2024, the Board of Directors approved the Group's Strategic Plan 2024-2027.
The plan confirms the strategic directions indicated last year, outlining a path of sustainable growth in the core businesses of gas distribution and renewable energies and in new areas of activity. The company has announced that development will take place under conditions of a balanced financial structure, guaranteeing a remunerative distribution of dividends. Economic and financial highlights:

- EBITDA to 2027: Euro 139 million (+ Euro 44 million compared to final 2023);
- Net profit to 2027: Euro 42 million (+ Euro 5 million compared to 2023);
- Net investments 2024-2027: Euro 617 million;
- Divestments of minority interests 2024-2027: Euro 294 million;
- Net debt to 2027: Euro 435 million;
- Financial leverage (Net Financial Position / Shareholders' Equity) to 2027: 0.48;
- Dividend forecast: 14 cents per share for the accounting period 2023, increasing by 1 cent per share in the following years until 2027.

The plan presents a scenario that makes the most of the possible award by the Group of some tenders for gas distribution services in minimum territorial areas of interest. This opportunity, which depends, among other things, on the actual timing of the publication of calls for tenders, entails an estimated further growth in EBITDA to 2027 of Euro 21 million and an increase in the volume of investments of Euro 215 million.

Ordinary Shareholders' Meeting dated 18 April 2024

On 18 April 2024, the Ordinary Shareholders' Meeting of Ascopiave S.p.A. met under the chairmanship of Nicola Cecconato.
The Ordinary Shareholders' Meeting approved the financial statements for the accounting period and took note of the Group's consolidated financial statements as at 31 December 2023 and resolved to distribute an ordinary dividend in the amount of Euro 0.14 per share, for a total of Euro 30.3 million, an amount calculated on the basis of the shares outstanding as at the end of the accounting period 2023. The ordinary dividend was paid on 8 May 2024 with an ex-dividend date of 6 May 2024 (record date 7 May 2024).
The Ordinary Shareholders' Meeting also approved, with a binding vote, the first section of the report on the remuneration and compensation policy prepared pursuant to Article 123-ter of Legislative Decree No. 58 of 24 February 1998 (the "TUF") (i.e., the remuneration policy for the accounting period 2024) and cast an advisory vote in favour of the second section of the report on remuneration policy and compensation paid drawn up pursuant to Article 123-ter of the TUF (i.e., the report on compensation paid in the accounting period 2023).
The Ordinary Shareholders' Meeting also approved a long-term share-based incentive plan reserved for the executive directors of Ascopiave S.p.A. and certain management resources of Ascopiave S.p.A. and its subsidiaries.
The Ordinary Shareholders' Meeting approved the authorisation to purchase and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting dated 18 April 2023, for the portion not executed.
Finally, the Ordinary Shareholders' Meeting resolved to appoint the auditing company KPMG S.p.A. to audit the accounts of Ascopiave S.p.A. for the accounting periods 2024 ÷ 2032.

Sustainability Report 2023 approved
On 18 April 2024, Ascopiave S.p.A. announced that it published in the "Sustainability" section of its website the Sustainability Report 2023, approved by the Board of Directors of Ascopiave S.p.A. in its meeting of 12 April 2024, following the positive opinion of the Sustainability Committee.

Allocation of treasury shares to beneficiaries of the LTI 2021 - 2023 Share-based Long-Term Incentive Plan
During the month of May 2024, Ascopiave S.p.A. assigned no. 93,072 treasury shares to the beneficiaries of the LTI 2021-2023 long-term share-based incentive plan. This information was disclosed to the public on 7 June 2024 pursuant to Annex 3F of the Issuers' Regulations adopted by Consob resolution No. 11971 of 14 May 1999, as amended and supplemented, pursuant to the timeframe and procedures provided for by applicable regulations.

Communication of the total amount of voting rights pursuant to Article 85-bis, paragraph 4-bis, of Consob Regulation 11971 of 14 May 1999
On 7 June 2024, Ascopiave S.p.A. announced that the increased voting right for 1,007,997 ordinary shares of the Company had become effective, pursuant to Article 127-quinquies of Legislative Decree No. 98/1998 and Article 6 of Ascopiave's Articles of Association. Therefore, on that date, Ascopiave ordinary shares with increased voting rights totalled 160,973,482 shares.

Launch of the share buy-back plan
On 26 June 2024, Ascopiave S.p.A. announced that, pursuant to and for the purposes of Article 144-bis of Consob Regulation No. 11971/1999 ("Issuers' Regulation"), as amended, as well as Article 2 paragraph 1 of Delegated Regulation (EU) 2016/1052 ("EU Regulation 1052"), the plan for the purchase of treasury shares ("Plan") has been initiated availing itself of the safe-harbour exemption under Article 5 of EU Regulation no. 596/2014 ("MAR Regulation"), giving a specific mandate to the authorised intermediary Equita SIM S.p.A. Ascopiave communicated that the Plan - initiated in execution of the resolution passed by the Ordinary Shareholders' Meeting of Ascopiave on 18 April 2024, which authorised, inter alia, the purchase of treasury shares, for the duration of 18 months, subject to revocation of the previous authorisation granted by the Shareholders' Meeting dated 18 April 2023, for the part not executed - is being executed through the authorised intermediary Equita SIM S.p.A. for the purpose of favouring the regular course of trading and prices, (against distorting phenomena linked to excessive volatility and/or poor trading liquidity), in compliance with the provisions of the MAR Regulation and the relevant EU and national implementing regulations, as well as the applicable pro tempore admissible market practice, as established by the competent supervisory authorities pursuant to Article 13 of the MAR Regulation. As of 26 June 2024, the Company held 17,608,506 treasury shares. It was specified that the execution of the Plan is coordinated exclusively by Equita SIM S.p.A., as an authorised intermediary that carries out the purchases in full independence and in compliance with the constraints of the applicable regulations, as well as within the limits of the resolutions adopted by the corporate bodies. It was also notified that the purchase transactions performed are subject to market disclosure pursuant to the terms and procedures set forth in the applicable regulations in force. Any subsequent changes to the aforesaid Plan will be promptly communicated by the Company.

Information on the purchase of treasury shares
Ascopiave announced that, within the scope of the authorisation to purchase treasury shares resolved by the Shareholders' Meeting dated 18 April 2024, it purchased 365,213 ordinary shares on the electronic share market in the period between 26 June 2024 and 19 July 2024 at an average unit price of Euro 2.3419, for a total countervalue of Euro 855,281.87.
The purchases were made through EQUITA SIM S.p.A., as the intermediary appointed to execute, in full independence, the treasury share purchase programme on behalf of the Company.
Consequent to the purchases made, Ascopiave holds 17,973,719 treasury shares, equal to 7.6676%, for the above countervalue.

Disclosure of the total amount of voting rights pursuant to Article 85-bis, paragraph 4-bis, of Consob Regulation 11971 of 14 May 1999

On 5 July 2024, Ascopiave S.p.A. announced that the increased voting right for No. 453,226 ordinary shares of the Company had become effective, pursuant to Article *127-quinquies* of Legislative Decree No. 98/1998 and Article 6 of Ascopiave's Articles of Association. Therefore, on that date, Ascopiave ordinary shares with increased voting rights totalled 161,426,708 shares. Please note that Article 6 of Ascopiave's bylaws provides that each share held by the same shareholder for a continuous period of at least twenty-four months from the date of its registration in the Special List established pursuant to Article 6.8 of the bylaws (the "Special List") shall be attributed two votes.

Joint press release A2A - Ascopiave

On 30 July 2024, A2A and Ascopiave announced that A2A had received a non-binding offer from Ascopiave for the purchase of a compendium of assets consisting of approximately 490,000 gas distribution delivery points (pdr) in Lombardy (in the territorial areas of Brescia, Bergamo, Cremona, Pavia and Lodi), currently managed by wholly-owned subsidiaries by A2A.

The parties have agreed to continue the negotiation process, and A2A has granted Ascopiave an exclusive negotiation period, until 15 December 2024, to perform the usual due diligence activities with the aim of possibly reaching a binding agreement by that date.

On 30 July 2024, A2A and Ascopiave announced that the possible finalisation of the transaction would be subject to, inter alia, the positive outcome of the due diligence, the negotiation of contractual agreements to their mutual satisfaction, obtaining of the necessary authorisations from the competent authorities, and the approval of the corporate bodies of A2A and Ascopiave.

Calendar of corporate events 2025

On 13 December 2024, Ascopiave S.p.A., pursuant to art. 2.6.2 of the Rules of the Markets Organised and Managed by Borsa Italiana S.p.A., announced the calendar of the main economic and financial events for the year 2025.

A2A S.p.A. and Ascopiave S.p.A., technical extension of the exclusivity period

On December 13, 2024, recalling the previous announcement made on July 30, 2024 regarding the granting to Ascopiave S.p.A., by A2A S.p.A, of a period of exclusive negotiation of the terms and conditions of the sale of a compendium of assets consisting of approximately 490 thousand delivery points (pdr) in Lombardy, A2A S.p.A. and Ascopiave S.p.A. inform that today a technical extension of this period of exclusivity from December 15 to December 24, 2024 inclusive was agreed to allow the parties to complete the negotiations.

Extraordinary Shareholders' Meeting of 16 December 2024

On 16 December 2024, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. met under the chairmanship of Mr. Nicola Cecconato.

The Extraordinary Shareholders' Meeting of Ascopiave adopted a series of amendments to the Company's Articles of Association, which are briefly summarised below:

- resolved to amend Article 6 (Shares) of the Articles of Association by clarifying that the shareholder's entitlement to an increased vote and the effects of the accrual of the right provided for by Article 127-quinquies of the Consolidated Law on Finance - subsequent to the minimum period of continuous holding of shares registered in the special list pursuant to Article 127-quinquies, paragraph 2, of the Consolidated Law on Financial Intermediation - is not subject to its express request to the intermediary to send to the Company the communication, mentioned in Article 44, paragraph 3, of the "Single Provision on Post Trading of the Consob and the Bank of Italy of 13 August 2018" (containing the "Discipline of central counterparties, central depositories and centralised management activities"), introduced by provision of 10 October 2022 (the "Single Post-Trading Provision"), with the consequent elimination of the provision of a second communication by the intermediary, at the request of the holder, as a condition for the attribution of the voting increment;
- approved the amendment of Article 12 (Chairman and Conduct of Shareholders' Meetings) of the Articles of Association, incorporating the new regulation set forth in Article 135-undecies.1 of the TUF, introduced by Law No. 21 of 5 March 2024 ("Capital Law"), which came into force on 27 March 2024, allowing listed companies the option to conduct shareholders' meetings exclusively through the representative appointed pursuant to Article 135-undecies of the TUF;

- resolved to introduce, in line with the proposal made by the Board of Directors, an amendment to Article 21 (Remuneration of the Board of Directors) of the Bylaws, specifically specifying that the remuneration of directors vested with special offices, includes the director vested with the office of Chairman and any managing director, and is aimed at ensuring greater clarity and consistency in the Bylaws while maintaining adherence to regulatory provisions. This amendment is part of a plan to technically update and improve the clarity of the Articles of Association by adapting the wording to the best statutory practices on the subject;
- resolved to formally renumber Article 22 (Composition and Appointment of the Board of Statutory Auditors) of the Articles of Association.

Pursuant to the Articles of Association, shareholders who did not participate in the approval of such resolutions are not entitled to withdrawal rights.

The Hera Group acquires the shares of EstEnergy from Ascopiave and rises to 100% of the share capital

On 16 December 2024, Ascopiave S.p.A. and Hera S.p.A. announced that, following Ascopiave's exercise of its option to sell its 25% stake in EstEnergy, Hera Comm will become the sole shareholder of the largest energy operator in the North-East.

In particular, it was announced that the Hera Group, through its subsidiary Hera Comm, and Ascopiave signed in Bologna the deed of sale by the latter of 25% of the capital of EstEnergy, the commercial joint venture established in 2019 that constitutes the largest energy operator in the North East. Hera Group's stake in EstEnergy has thus risen to 100%, while Ascopiave has completed its exit path from the company, following the sale of the first 8% in 2022 and a further 15% in 2023. The possibility of a deferred exit over time represented a value for both companies: in fact, it allowed Ascopiave's territorial roots to be enhanced at the same time as Hera's industrial approach to sales management. The economic fundamentals of the customer base thus significantly improved, expressing synergies and opportunities for the supply of value-added services, laying solid foundations for further growth in margins.

In five years, through the rationalisation of the number of companies and the renewal of information systems, it has been possible to improve the quality of the relationship with customers by flanking the territorial nature of the relationship with a commercial approach with the highest standards, which has made it possible to increase and strengthen the contact channels and the type of energy solutions for customers, with the aim of supporting them in the path of decarbonisation. The formalised transaction, for a countervalue of about Euro 232 million, derives from the exercise of the put option held by Ascopiave on its shareholding in the company, as established in the agreements signed between the parties when the partnership was established. This value will be paid by July 2025, concurrently with the endorsement of the shares. The transaction gives, in fact, full execution to the agreements made in 2019, which were therefore already fully reflected in the Hera Group's net financial position.

The transaction allowed the Ascopiave Group, whose partnership with the Hera Group continued with the shareholdings in Hera Comm and Acantho, to improve the sustainability of its capital structure, in line with the goals of its strategic plan, contributing to the financial coverage of investments in core and diversification activities.

A2A S.p.A. and Ascopiave S.p.A.: signed contract for the sale and purchase of network assets

On December 19, 2024, A2A and Ascopiave announced that a preliminary purchase agreement (signing) had been signed governing Ascopiave's acquisition of 100% of the shares of a corporate vehicle that will own, upon closing, a business unit comprising a compendium of assets consisting of approximately 490,000 gas distribution pdr (delivery points) relating to the ATEMs in the provinces of Brescia, Cremona, Bergamo, Pavia and Lodi, with a 2023 RAB of Euro 397 million and a 2023 EBITDA of Euro 44 million. The assets included in the business unit involved in the transaction are currently held by Unareti and LD Reti (companies wholly owned by A2A) and will be contributed to the above-mentioned vehicle in the period between the signing and the closing. The base price agreed for the transaction is 430 million euro, which expresses the valuation of the business at December 31, 2023, subject to adjustment downstream of the closing, as per practice. The deal is subject to the occurrence of the conditions precedent usually foreseen for this kind of transaction, including the successful completion of the so-called Golden Power procedure. The closing is expected to be completed by July 2025. Ascopiave will finance the acquisition mainly through the resources deriving from the exercise of the put option on its own minority shareholding in EstEnergy and, for the remaining part, through the assumption of new financial debt, already contracted and/or under definition.

Reorganisation project of Ascopiave S.p.A. subsidiaries

On 31 December 2024, the project for the reorganisation of some subsidiaries became effective for statutory purposes. More specifically, in the area of natural gas distribution, it envisages the division of activities into two companies, one operating in the North East and one in the North West.

As part of the transaction, the Group companies AP Reti Gas Rovigo S.r.l., AP Reti Gas Vicenza S.p.A., and AP Reti Gas Nord Est S.r.l. were merged by incorporation into the subsidiary AP Reti Gas S.p.A. and, at the same time, the latter performed a partial and proportional demerger in favour of Romeo Gas S.p.A. of 15 gas distribution concessions and related contracts (including labour relations).

The Group's other distribution companies, Edigas Esercizio Distribuzione Gas S.p.A. and Serenissima Gas S.p.A., were merged by incorporation into Romeo Gas S.p.A.. Following this operation Romeo Gas S.p.A., which changed its company name to AP Reti Gas Nord Ovest S.p.A., performed a partial and proportional demerger in favour of AP Reti Gas S.p.A. of 12 gas distribution concessions and related contracts (including labour relations).

It should also be noted that as part of the reorganisation operation, some properties owned by the parent company were subject to a partial and proportional demerger in favour of the parent company Ascopiave S.p.A..

The shareholders' meetings of the companies approved the merger project in September.

The exchange of shares was performed at book values, since all participating companies are wholly owned by Ascopiave S.p.A., the value attributed has no impact on the company's shareholdings.

On the same date, the merger project by incorporation of the company Asco Renewables S.p.A. into Asco EG S.p.A. became effective, and the latter took over all its rights and obligations, continuing all its relations prior to the merger. At the same time as the merger, Asco EG S.p.A. took on the name Asco Power S.p.A.. Following the transaction, the company's share capital is represented by Ascopiave S.p.A. (90.20%) and Fin-Energy (9.80%).

Other important facts

Natural gas distribution

The Ascopiave Group manages concessions for the gas distribution service through the companies AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest S.p.A., in a total of 301 municipalities, distributed in Veneto, Friuli-Venezia Giulia, Lombardy, Emilia-Romagna and Piedmont.

The natural gas distribution business

Fully consolidated companies

Below is a table summarising the figures for the group's gas distribution business for the year 2024 and a comparison with those for the year 2023:

	Full Year	
	2024	2023
Volumes of gas distributed (mln/m^3)	1,456	1,432
Length of distribution network in operation (Km)	14,719	14,730
Total new networks laid / replaced (Km)	70	100
Total active meters (no.)	871,410	874,376
Total smart meters G4/G6 (no.)	806,983	772,977
Average time of arrival on site (minutes)	37.44	38.16
Distribution network inspected (%)	69.13%	86.18%

The planned inspection of the network in 2024, performed entirely with the Group's own personnel and means, is well above the minimum standards required by the Autorità di Regolazione per Energia Reti e Ambiente (hereinafter ARERA) for distribution plants and reflects the particular attention paid by the Group's distribution companies to the issue of service safety.

Below is a table on percentages:

		Full Year		
	target ARERA	2022	2023	2024
High and medium pressure network inspected on the total (100% inspection obligation in 3 years)	> 100% in 3 years	70.63%	84.68%	67.83%
Low pressure network inspected on the total (100%inspection obligation in 4 years)	> 100% in 4 years	69.25%	86.89%	69.79%

All safety indicators (arrival time at the call location for emergency response, scheduled network inspection and odour level measurements) and continuity indicators (service interruptions) were effectively kept under control, in full compliance with the service obligations set by ARERA.

	Full Year	
	2024	2023
Compliance with the maximum time set for the execution of services subject to specific commercial quality standards	99.509%	99.455%
Respect for punctuality in the appointments agreed with the end customer	99.968%	99.994%

During the year, the company's emergency response structure, which operates 24 hours a day every day of the year and can be activated through the company's dedicated toll-free numbers, performed 9,139 interventions, with an average arrival time at the call location of 37.44 minutes, far less than the 60 minutes required by the Authority's standards.
In addition, continuous monitoring of the correct odorization of the gas was performed, with a number of checks well above the Authority's requirements.
All schedules and deadlines for plant operation and maintenance activities were met and were performed almost exclusively through the use of in-house personnel.
During the accounting period, the process of streamlining the organisational structure continued, aimed at optimising the use of resources and synergy between the group's distribution companies, pursuing improvements in all administrative, technical, process control and human resources management activities, seeking to optimise the use of resources, internalising activities and increasing the possibility of making investments.
In particular, activities continued to pursue the improvement of the energy efficiency of the REMI cabins by optimising the pre-heating system with various technological solutions such as heat pumps, photovoltaics and solar thermal energy. This initiative resulted in high energy savings by reducing the gas needed for the pre-heating system.
The company has also expanded its use of innovative CRDS (Cavity Ring-Down Spectroscopy) technology for preventive pipeline monitoring and leak detection.
This technology, thanks to a series of apparatuses, sensors and devices installed on an equipped vehicle, combined with the use of sophisticated analysis software, allows a sensitivity of detecting the presence of gas in the air that is at least three orders of magnitude higher than that of traditional technologies.

Convention with municipalities on a shared procedure for the agreed quantification of the "Industrial Residual Value" of the networks

The regulatory changes that have taken place over the last few years, and specifically the discipline that has provided for the selection of the distribution service manager by means of the so-called 'area tenders', have led to the need to determine the Residual Industrial Value (R.I.V.) of the plants owned by the Managers.
In this respect, the concession agreements governed two paradigmatic situations, namely:
- early redemption (normally regulated by Royal Decree No. 2578/1925);
- repayment from the (natural) expiry of the concession.

The eventuality of an *ope legis* expiry, prior to the commencement of the 'contractual' term, was (as a rule) not contemplated (and therefore regulated) in the concession deeds.
In substance, the case at issue (early expiry imposed by law) represents a "tertium genus", in some respects similar to the exercise of early redemption (from which, however, it differs markedly due to the dearth of an autonomous will on the part of the Entity) and in other respects similar to the expiry of the term of the grant (which, however, has not expired).
At least until Ministerial Decree 226/2011, there were no laws and/or regulations that precisely defined the methods and metrics for determining the V.I.R. of plants and that could therefore supplement the contractual clauses, which were in short supply.
Even Legislative Decree 164/2000, until the amendment introduced first by Decree-Law 145/2013, and then by Law 9/2014 merely referred to Royal Decree 2578/1925 which, however, sanctioned the industrial estimation method without setting precise estimation parameters.
This situation made it extremely opportune, if not necessary, to establish specific agreements with the municipalities aimed at arriving at a shared estimate of the Residual Industrial Value. The dearth of such agreements, in the past, has often led to disputes in both administrative and civil/arbitration courts.
The situation of Asco Holding's shareholder municipalities was even more peculiar, in the sense that, with them, there was no actual concession deed in the canonical forms, but various acts of conferment into a company (the then Special Company) that at the same time sanctioned the continuation of the service previously performed by the Consorzio Bim Piave.
It is evident that, as acts of contribution, a regulation of their own governing the redemption and/or expiry of the management was neither contemplated nor contemplated.

With the aforementioned municipalities, Ascopiave therefore entered into an agreement that provided for the identification of an expert of recognised professionalism, competence and independence called upon to establish the fundamental metrics to be applied in calculating the Residual Industrial Value of gas distribution plants.
The relative negotiated procedure, conducted with the criterion of the most economically advantageous offer, was concluded on 29 August 2011. The expert thus identified drew up the Report (made available on 15 November 2011) on "Fundamental Metrics for calculating the Residual Industrial Value of natural gas distribution plants located in the municipalities currently served by Ascopiave S.p.A.", approved on 2 December 2011 by the Board of Directors of Ascopiave S.p.A. and subsequently by all 92 municipalities with a Resolution of the Municipal Council.
As part of the aforementioned process, mutual relations more strictly related to the management of the service were also regulated, providing for the payment of both lump sums (2010 - stipulation of supplementary deeds) in the amount of Euro 3,869 thousand, and (from 2011) of actual fees in variable amounts equal to the difference, if positive, between 30% of the Revenue Constraint recognised by the tariff regulation and the amount received by each individual municipality as a 2009 dividend (2008 budget).
Compared to the negotiated procedure of the previous paragraphs, there are no new agreements or changes in the reference legislation.

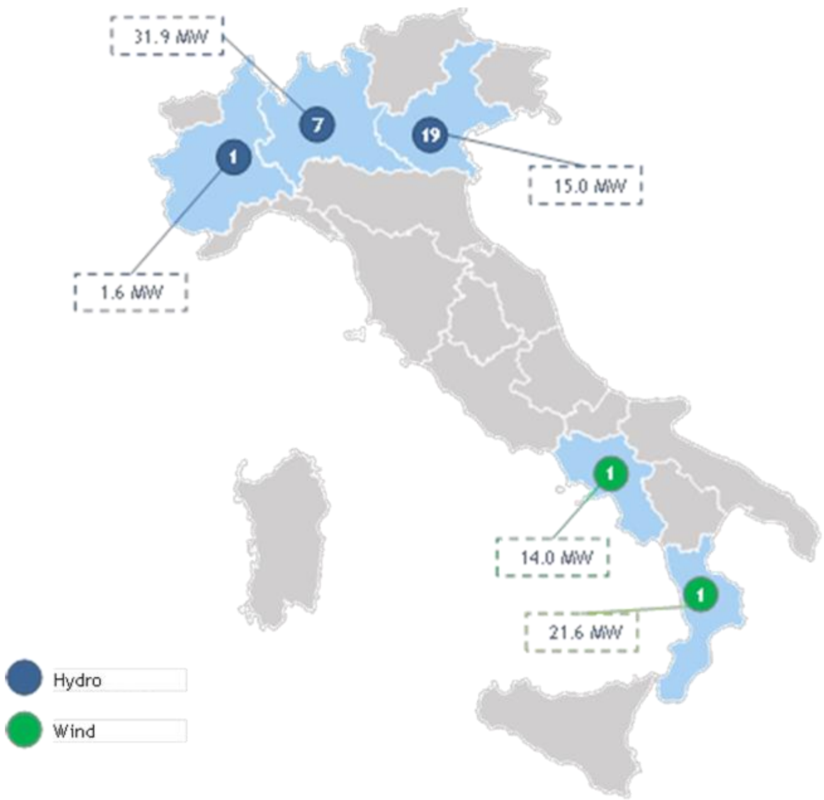
Renewable energies

For several years now, in line with its strategic plan, the Ascopiave Group has been pursuing a path of diversification of its managed activities oriented towards the energy transition by entering the renewable energy sector.
As of 31 December 2024, this segment represents the Group's second largest business in terms of contribution to company income and is operating in the production of electricity from renewable sources, such as hydroelectric and wind power. The portfolio of plants held by the Group has an installed capacity of 84.1 MW, of which c. 10.3 MW operating under the incentive tariff regime deriving from agreements stipulated with GSE S.p.A., and the remaining 73.8 MW under the free market regime.
At the beginning of the year 2024, an additional wind farm of the subsidiary Asco Wind & Solar S.r.l., located in Calabria, came into operation, with an installed capacity of 21.6 MW in the free market regime. This plant completed its first year of operation, thus concluding its commissioning phase.
At the policy level, the European Union and Italy laid the foundations for the transition to a sustainable economic model by including a series of energy-related targets to tackle climate change summarised in the European Green Deal. In implementation of the same, the “Fit for 55” package was presented in 2021, setting the goal of “carbon neutrality” to 2050, passing through intermediate targets to be reached by 2030, such as a 55% reduction in net greenhouse gas emissions, at least 40% incidence of renewables on energy consumption, and a 39% reduction in primary energy consumption.
In light of the energy crisis generated by the Russian-Ukrainian conflict, the European Commission issued the RePower EU Plan in 2022, updating previously set targets including a 45% increase in the share of renewables in energy consumption.
Implementing the European Green Deal and the 'Fit for 55' package, Italy issued the Energy Transition Plan (ETP) defining a target of 72% share of renewable energies in the electricity generation mix by 2030, increased from the 55% set in 2019 by the Piano Nazionale Integrato Energia e Clima (PNIEC).
In 2023, national electricity demand amounted to 305.6 TWh (gross figure), decreasing by 3% compared to the year 2022. Net domestic electricity production amounted to 254.4 TWh, down 6.6% compared to the previous year, but with an increase in the contribution of renewables, accounting for 44.6% of total net production. In particular, there was a recovery in hydroelectric production, which stood at 40.5 TWh (+42.7% year-on-year). Wind and photovoltaic sources also increased production, with growth of 15.4% and 9.2% respectively.
Renewable production, as explained above, will see a development in the coming years mainly driven by wind and photovoltaics.
With reference to incentives, the Ministerial Decree of 04/07/2019 (the so-called 'RES 1' Decree) is currently in force, which provides for the recognition of an incentive tariff to be determined on the basis of the discount offered by the proponents when participating in the auctions with respect to the auction base (the so-called reference tariff). The duration of the proposed incentives varies from 20 to 35 years depending on the renewable source at base. The incentive refers both to the construction of new plants and to the refurbishment or upgrading of existing plants, and has an overall

quota in terms of installed power of 8 GW to be allocated through seven tenders. As of today, the EU Commission has approved (17 December 2024) the transitional text of the new decree on renewable energy production (wind, photovoltaic, hydroelectric, residual gas from purification processes) in Italy, the so-called 'RES X'. The latter envisages quotas for each energy source and related prices to be submitted to auction, differentiated by type of source and by territorial location of the plant.
The Group's hydroelectric plants are operated under concessions with defined expiry dates, while wind power plants are operated on the basis of authorisations with no duration limits.

Operations

In terms of installed power, the Ascopiave Group holds a portfolio of electricity generation from renewable sources amounting to 84.1 MW, consisting of 27 hydroelectric plants (3 large derivation plants, i.e. with concession power greater than 3MW, and 24 small derivation plants) for a total power of 48.5 MW and 2 wind-power plants with a power of 35.6 MW.
It should be noted that one of the two wind farms, belonging to the subsidiary Asco Wind & Solar S.r.l, started operation at the beginning of the year 2024. It has an installed capacity of 21.6 MW and is located in Calabria.



Cogeneration

In 2024, the operation of cogeneration plants was performed by the Ascopiave Group's Research and Development Division on behalf of Asco Power S.p.A..
With reference to the activities on thermal cogeneration plants, the operation of the following three plants was managed during 2024:

- The “Le Cime” plant in Mirano (VE), where, following the latest extension of the district heating network, the fill rate of connected residential customers increased from 130% to 131%.
  The cogeneration unit worked at full capacity, being switched on in the winter period to supply thermal energy for heating use for the connected customers and in the summer period to feed the absorber for the production of cooling energy for the same customers;
- The 'Bella Mirano in Mirano (VE)' plant, where, following the connection to the district heating network of the last condominium under the original agreement, the saturation rate of the connected residential customers increased from 121% to 123%. The exceeding of the 100% saturation rate is due to the fact that, in addition to the original project, two new condominiums were connected to the district heating network during 2014, which were not part of the original project, but connected following a contribution to cover the full costs paid by the builders of the two new condominiums.
  The cogeneration unit worked at full capacity, being switched on during the winter period to supply thermal energy for heating purposes;
- The "Cà Tron a Dolo (VE)" plant, which has maintained the same filling level as the connected residential customers. It should be emphasised that to date, only the first section (about 50%) of the entire allotment covered by the agreement has been completed.
  The cogeneration unit worked at full capacity, being switched on during the winter period to supply heating energy to connected customers.
  The fill rate of connected residential customers is 36%.

With regard to activities on thermal plants, the Group managed the operation of 5 plants in 2024.

Efficiency and energy savings

With regard to the targets to which the Group's natural gas distribution companies are obliged for energy efficiency certificates (TEEs), with the publication of the Ministerial Decree of 21 May 2021, the 2020 target was considerably reduced and the quantities of certificates subject to the targets for the four-year period 2021- 2024 were determined. For all of the Group's obligated distribution companies, it should be noted that in the November 2023 session, the 2021 target was completed, while in the May 2024 session, the minimum portion of the 2023 target was met. It is noted that the amount of securities allocated to the Group's distribution companies for the accounting period 2023 (May 2023 - June 2024) is 68,675 certificates while, for the accounting period 2024, it is 76,867 certificates. It should be noted that during the November 2024 session, the 2022 target was completed for all companies and 30% of the 2024 target was covered.

Litigation

The disputes pending in Group companies are described below. The disputes that have shown probable economic impacts have led to the recognition of specific provisions, while other disputes have not generated impacts on the Group's financial statements. No significant provisions have been set aside in relation to pending litigation.

DISPUTES ON PLANT VALUE - CIVIL JURISDICTION

As at 31 December 2024, there were no pending litigations.

PLANT VALUE DISPUTES - ARBITRATIONS

As at 31 December 2024, there were no pending litigations.

ADMINISTRATIVE / CIVIL LITIGATION - RELATING TO CONCESSIONS

As at 31 December 2024, the following are pending:

MUNICIPALITY OF SOVIZZO

A civil lawsuit initiated by the Municipality of Sovizzo, with a writ of summons served on AP Reti Gas S.p.A. on 21 February 2019. The Entity requested the payment of a concession fee of Euro 65 thousand/year starting from 01 January 2013.
With a judgement dated 10 December 2021, the monocratic judge accepted the Municipality's request and ordered AP Reti Gas S.p.A. to pay Euro 65 thousand/year, from 2013 and until the end of the current management.
The Company disagreed with the ruling and considered it unlawful and appealed (RG 95/2022).
The first hearing was held on 16 May 2022 and the hearing for the statement of conclusions was held on 12 June 2023.
In its ruling of 12 December 2023, the Venice Court of Appeal rejected AP Reti Gas's appeal, upholding the first instance ruling.
The company paid what was due but also appealed in cassation.

MUNICIPALITIES OF CONCORDIA SAGITTARIA, FOSSALTA DI PORTOGRUARO AND TEGLIO VENETO

Three administrative proceedings, pending before the Veneto Regional Administrative Court, brought by AP Reti Gas S.p.A. for the annulment of Resolutions nos. 92, 85 and 70 of the Municipal Council of 2020, whereby the three Authorities approved the respective estimates of the residual value of the plants, drawn up by the engineer appointed by the S.A. (Metropolitan City of Venice) using the ministerial LGs criterion, instead of, as obligatory under Article 15, paragraph 5 of Legislative Decree 164/2000 and as previously done, applying the duly and promptly agreed contractual metrics, with a lower value recognised to AP Reti Gas S.p.A, respectively, of about Euro 412 thousand, Euro 375 thousand and Euro 48 thousand.
The Municipality of Concordia Sagittaria (at the behest of the Ambito S.A.) forwarded a further GC Resolution (No. 3/2022) with which it approved another estimate (again at ministerial LGs) that, albeit marginally, further reduces the reimbursement value recognised to AP Reti Gas S.p.A. The Company, therefore, provided for the relative appeal with additional grounds.
Similarly, on 11/08/2022, the Municipality of Fossalta di Portogruaro forwarded GC Resolution No. 37/2022 (adopted in March) governing the approval of the estimated VIR (at LG), which exceeds the previous Resolution No. 85/2020. Even though the difference with the previous value (referred to in the contested Resolution No. 85/2020) is minimal (less than one thousand euro), the Company had to proceed with an appeal with additional grounds, duly filed and notified within the terms.
With regard to the dispute with the Municipality of Teglio Veneto, the Regional Administrative Court ordered a "verification" to ascertain whether the negotiation metrics are complete (and therefore usable to update the estimates). In this regard, it appointed Prof. Ing. Marella of the Department of Civil, Construction and Environmental Engineering (ICEA) at the University of Padua as CTU, while the company and the municipality appointed their own CTP. The hearing to discuss the outcome of the verification was set for 09 October 2024.
The verifier, at the outcome of the in-depth investigations performed, established, in brief, that: "*From the supplementary deed to the original agreement signed on 1 December 2011 and from the appraisal report acquired at*

the general protocol of the Municipality of Teglio Veneto no. 8309 of 18 December 2009 - all the methodological elements for the calculation and verification of the reimbursement value can be deduced (with the possibility of adjusting the reimbursement value, also following any updates to the state of consistency) with the exception of the actual consistency of the network sections affected by protection works, which was not indicated. This aspect, in any case, has a very limited influence, less than 2%, on the valuation of the network".
For the disputes with the municipalities of Fossalta di Portogruaro and Concordia Sagittaria, the Regional Administrative Tribunal set a hearing pursuant to Article 72-bis of the CPA (simplified ruling) for 22/05/2024, which was then moved to 19/11/2024. In view of the hearing, AP Reti Gas filed its final pleadings, explicitly referring to the conclusions of the Teglio Veneto verification, in order to emphasise the absolute homogeneity of the negotiation and expert's regulation .
With Sentence No. 2913/2024, the Regional Administrative Court upheld AP Reti Gas's appeal, annulling the contested measure of the Municipality of Teglio Veneto, and apportioning the verification costs on a 50-50 basis.
Similarly, by Ruling No. 2/2025, the Regional Administrative Court, extending the findings of the verification performed in the proceedings with the Municipality of Teglio Veneto, upheld the appeal of AP Reti Gas, annulling the contested measures of the Municipality of Concordia Sagittaria and awarding the costs of the proceedings.
With regard to the similar dispute with Fossalta di Portogruaro, the Regional Administrative Tribunal, by Order No. 2992/2024, ordered the verification to be performed by the Director of the Department of Civil, Construction and Environmental Engineering (ICEA) at the University of Padua (the same Director already appointed for the dispute with Teglio Veneto). AP Reti Gas shall indicate the same CTP already indicated in the verification ordered in the case of Teglio Veneto.

ADMINISTRATIVE DISPUTES - NOT RELATING TO CONCESSIONS

As at 31 December 2024, the following are pending:

ANAC DELIBERATIONS 214 AND 215 / 2022 and DELIBERATION 584/2023

An appeal to the Regional Administrative Court for Lazio - Rome (R.G. 7980/2022), brought by AP Reti Gas S.p.A. (together with other leading operators of gas and electricity distribution services), for the annulment of ANAC Resolutions No. 214 and 215 of 2022, by means of which, the Authority, in alleged execution of Sentence No. 2607/2022 of the Lazio Regional Administrative Court, substantially reproduced what was set forth in the Chairman's Announcements, annulled for dearth of jurisdiction of the same Court.
Previously, in fact, AP Reti Gas (together with other leading gas and electricity distribution service operators) had requested and obtained the annulment of the Press Release by the ANAC President dated 16 October 2019. Said measure, in substance, extended the obligations proper to contracts subject to the application of Legislative Decree 50/2016 (e.g. acquisition of CIG and payment of ANAC contribution) also to contracts excluded and even outside the application of the Code.
With Sentence No. 2607/2022, the Lazio Regional Administrative Court upheld AP Reti Gas's appeal and annulled the contested measure, finding that the President had no jurisdiction with respect to the issuance of the same measure. ANAC, however, in alleged compliance with the Judgment, substantially reproduced the content of the measures annulled by the TAR in two resolutions (Nos. 214 and 215 of 2022).
The measures were therefore appealed, for the most part, by re-proposing the 'substantive' complaints already prepared in the first judgement and not examined by the TAR, not because they were considered unfounded, but because the Court, pursuant to the CPA, considered the ruling of dearth of jurisdiction to be absorbent and exhaustive.
By Resolution No. 584/2023, ANAC formally repealed Resolutions Nos. 214 and 215, but re-proposed entirely similar rules, albeit with some peculiarities. By means of an appeal on additional grounds, also in the form of an autonomous appeal, notified at the end of February 2024, within the time limits for appeal, the Company challenged the latter measure.
At present, there are no further court proceedings.

ARERA DELIBERA ARG/GAS 570/2019 and DELIBERA 117/2021/R/gas (as well as the related access to documents procedure)

An appeal to the Regional Administrative Court for Lombardy - Milan (R.G. 522/2020), brought against ARERA by Ascopiave S.p.A. and AP Reti Gas S.p.A. (together with other leading gas distribution service operators), for the annulment of Resolution 570/2019/R/gas, governing the "*tariff regulation of gas distribution and metering services for*

the period 2020-2025". The new regulatory discipline provides for a strong and unjustified reduction of tariff items to cover the operating costs recognised to distributors. The appeal was filed on 25 February 2020.
With an appeal on additional grounds dated 24 May 2021, an appeal was also filed against ARERA Resolution No. 117/2021/R/gas, governing the "Determination of the definitive reference tariffs for gas distribution and metering services for the year 2020". In fact, the Companies considered that the measure, being part of the determinations resulting from the tariff regulation set forth in Resolution No. 570/2019, could be further detrimental to the Group's distribution companies.
At present, there are no further court proceedings.

PROVINCE OF BRESCIA AND VALLE TROMPIA MOUNTAIN COMMUNITY
A law-suit before the Tribunale Superiore Delle Acque Pubbliche (R.G. 828/2023) Superior Tribunal of Public Waters, filed by Morina S.R.L. (now merged by incorporation into Asco Renewables S.p.A., in turn merged into Asco Power S.p.A.), against the Province of Brescia and the Comunità Montana di Valle Trompia (the Mountain Community of Valle Trompia) for a declaration that:

- consequent to their non-exercise, the Comunità Montana di Valle Trompia (the Mountain Community of Valle Trompia) forfeited the hydroelectric concession granted by the Province of Brescia with its own executive determination no. 3099 of 3 August 2010 and the single authorisation pursuant to Article 12 of Legislative Decree 387/2003, granted by the same Province with its own executive determination no. 4501 of 24 July 2014;
- consequently, the prior consent of the Comunità Montana di Valle Trompia is not necessary for the transfer of the two aforementioned measures to the company Morina S.r.l. alone.

The company also requested the disapplication or cancellation of the measure of the Province of Brescia, Prot. no. 159684/2023 of 22 August 2023 (which refers to the joint ownership of the concession).
The Province and the Mountain Community entered an appearance to resist the company's action.
With Sentence No. 916/2024, the Regional Administrative Court declared inadmissible the request to ascertain the forfeiture of the Comunità Montana della Valle Trompia from the ownership of the concession and the single authorisation issued by the Province of Brescia, rejecting the appeal for the remaining requests formulated by Asco Renewables, also condemning the company to pay the costs of the proceedings.
In a nutshell, the Court's ruling stems from the fact that, prior to the appeal, the company had not formally asked the Province to sanction the forfeiture of the concession to the Mountain Community. Asco Renewables therefore did so with a special request sent on 19/12/2024 (which has not yet been received to date).

EXTRA PROFITS (Revenue Agency and other Entities)
A lawsuit before the Regional Administrative Court of Lazio (R.G. 10986/22), brought by Asco EG (notified on 16/09/2022), against the measures of the Inland Revenue Agency (and other Entities) implementing the provisions of Article 37 of Law Decree 21/2022, converted with amendments by Law 51/2022 and subsequently further amended by Law Decree 50/2022, in turn converted with amendments by Law 91/2022.
As part of the appeal, the questions of constitutionality and conformity with European law of the primary legislation were raised.
Similarly, in certain appeals brought by other companies before the Tax Commission, the question of jurisdiction was also raised, which was resolved by the Court of Cassation, which, in U.S. Judgment No. 12491/2023, published on 19/10/2023, established the jurisdiction of the Administrative Judge.
The public hearing for the discussion of the appeal on the merits took place on 4 April 2023. The Regional Administrative Court ordered a postponement to 18 July 2023. At the outcome of the hearing, in light of the above, and therefore pending the decision of the Supreme Court, the TAR ordered the suspension of the trial.
In the context of the issues involved in the litigation, it should be noted that, with Sentence no. 111/2024, filed on 27 June 2024, the Constitutional Court declared the constitutional illegitimacy of Article 37, paragraph 3, of Decree-Law no. 21/2022, in the part in which it includes excise duties in the basis for calculating the extraordinary contribution. The impact of the ruling with respect to the lawsuit filed by Asco EG is still being assessed.

AID DECREE (ARERA Resolution No. 266/2022 and GSE Notice of 07/07/202)

A lawsuit before the Regional Administrative Court of Lombardy in Milan (R.G. 1774/22), brought by Asco EG (notified on 08/09/2022), against ARERA Resolution No. 266/2022 and the GSE Communiqué of 07 July 2022, implementing Article 15 bis of Law Decree 4/2022, converted by Law 25/2022, and amended by Law Decree 115/2022, converted with amendments by Law 142/2022.

As part of the appeal, the questions of constitutionality and conformity with European law of the primary legislation were raised.

With Sentence no. 2676/2022 of 23 November 2022, the Regional Administrative Court upheld the appeal and consequently annulled ARERA Resolution 266/2022 and the consequent acts of the GSE. The reasons for the ruling were published on 09/02/2023.

As a precautionary measure, while awaiting the aforementioned reasons, on 6 December 2022, the Company, together with the other plaintiffs, filed a further appeal on additional grounds with the Regional Administrative Court of Lombardy - Milan, consequent to the supervening force of EU Regulation 2022/1854, for the annulment of all the measures resulting from Resolution No. 266/2022, as well as to ascertain the dearth of the prerequisites for the application of Article 15-bis of Legislative Decree No. 4/2022 and the consequent nullity of all the application measures issued by ARERA and GSE. 15 bis of DL 4/2022 and for the consequent nullity of all the application measures issued by ARERA and the GSE. The issues of constitutionality and compliance with European law of the primary regulation were also raised.

Sentence No. 2676/2022 was appealed by ARERA to the Council of State (RG 10025/22), with a request for suspension of the first instance sentence. By order of 17 January 2023, the Council of State granted the precautionary petition and therefore suspended the enforceability of the contested ruling.

Following the publication of the grounds of the Judgment of First Instance on 21 March 2023, the application to revoke the interim order was discussed. The Council of State, however, confirmed the suspension of the execution of the Judgment and set the public hearing on the merits for 05 December 2023.

With respect to the further proceedings brought before the Lombardy - Milan Regional Administrative Court, by order of 17 July 2023, the court suspended the proceedings pending the preliminary ruling of the Court of Justice of the European Union on the questions formulated by the same Regional Administrative Court in a previous order of 7 July (adopted in the context of a case with a completely similar subject matter).

At the hearing on 05 December 2023, the Council of State granted the company's request and postponed the public hearing until the end of 2024, pending the decision of the EU Court of Justice.

The European Court of Justice set the hearing for 11 July 2024 on the question of the compatibility of Article 15a of DL 4/2022 with EU Regulation 2022/1854. The hearing was then postponed to 6 November 2024.

With regard to the case pending before the Council of State, the public hearing on 29 October 2024 was postponed to a date to be determined pending the ruling of the EU Court of Justice

On 06 February 2025, the conclusions of the Advocate General at the EU Court of Justice were released.

In summary, the Advocate General takes the view that Article 15a of Decree-Law 4/2022 is not incompatible with EU law (EU Directive 2019/944, EU Directive 2018/2001 and Regulation 1854/2022) due to the fact that the cap on market revenues obtained from the sale of energy was calculated on the basis of the average of the prices charged on the market over the last 10 years from 2010 to 2020, (but this) provided that the conditions set out in Art. 8(2)(b) and (c) of EU Regulation 1854/2022, i.e. that the cap on revenues:

1) does not compromise investment signals;
2) ensures that investments and operating costs are covered.

The conditions set by the Advocate General open up the possibility of proving (probably before the national court) that the revenue ceiling does not fulfil these conditions.

The Court of Justice of the EU will deliver the Judgment and may also depart from the Advocate General's conclusions.

NOTICES OF PAYMENT OF STATE FEES FOR LARGE HYDROELECTRIC DERIVATIONS YEAR 2023

A law suit before the Tribunale Superiore Delle Acque Pubbliche (R.G. 136/2023), brought by Asco EG S.p.A. on 16/06/2023, against Regione Lombardia, for the annulment of the Lombardy Regional Council's Resolution of 12 April 2023 no. XII/136 "*Determinations regarding the updating of the fixed component of the fee due from large hydroelectric derivations for the year 2023 in application of Article 20, paragraph 2, of Regional Law no. 5 dated 8 April 2020, as amended*", published by Regione Lombardia Official Gazette no. 16 dated 18 April 2023 and of the consequent acts (e.g. Notice of expiry of the public water user fee 2023).

In a nutshell, the company disputes the manner in which the inflation rate was adjusted and consequently the amount of the fee charged.
The first hearing took place on 17 April 2024.
In the meantime, the demand for payment of the 2024 fee was received. The company filed an appeal on additional grounds against these additional payment notices.
Moreover, the company nevertheless paid the fees (2023 and 2024) in the amount allegedly owed by the Region, accompanying the payment with a notice of non-acquiescence, highlighting the continuation of the dispute, and therefore of the litigation, in place.
The next hearing is scheduled for 23/04/2025.

CHALLENGE TO THE ACTS OF THE TENDER FOR REASSIGNMENT OF THE “CODERA RATTI-DONGO” LARGE HYDROELECTRIC DERIVATION CONCESSION

A case before the Superior Court of Public Waters, brought by Asco EG S.p.A., with an appeal dated 21/06/2024, against the Region of Lombardy, for the annulment of the tender documents relating to the re-assignment of the "Codera Ratti-Dongo" large hydroelectric derivation concession, with a request for suspension of the procedure.
The company objected to two clauses (considered to be exclusionary): the first related to one of the requirements (plant management with power greater than 10 MW) that appears to be out of line with the characteristics of the plants subject to the tender, and the second governing the introduction of the condition under which, in order to enter into the contract, the successful bidder would have to waive all disputes governing state fees outstanding with the Lombardy Region.
The Superior Court set the hearing for 4 September 2024. At the same hearing, the appeals brought by other operators (A2A and Edison) were also dealt with.
At the hearing, the Adviser-Rapporteur brought together all the judgments relating to the tender, asking the claimants' lawyers whether they were willing to waive the interlocutory applications in return for an effort by the Judge to shorten the time of the judgments, with the scheduling of the hearing on the merits shortly. The company's lawyers agreed to the proposal.
The Court rejected the interlocutory application 'reiterated' by another applicant and set the hearing for the discussion of the merits for 27 November 2024.
In the meantime, the company requested an extension of the deadline for submitting bids (set in the tender documents at 18/10/2024), giving the appropriate reasons. The region, however, rejected the request.
The parties filed their closing briefs at the end of November. The Company, specifically, took pains to emphasise the peculiar arguments by virtue of which it remains interested in a ruling on the merits, despite Codera Ratti Dongo's non-participation in the tender.

CIVIL LITIGATION - NOT RELATED TO CONCESSIONS

As at 31 December 2024, the following are pending:

CLAIM FOR DAMAGES FOR SUPPLY INTERRUPTION VS AP RETI GAS VICENZA

A lawsuit, pending before the Court of Vicenza (R.G. 339/2020), brought against AP Reti Gas Vicenza, for compensation for damages resulting from the temporary interruption of the supply (which occurred during the performance of activities on the distribution network, entrusted to the contractor Costruire e Progettare in Lombardia (Build and Design in Lombardy)- CPL), brought by Ariston Cavi S.p.A.
The company, while hoping for an amicable solution, duly entered an appearance and, in the exercise of its negotiating indemnity, sued the contractor.
The hearing for closing arguments took place on 11 May 2023.
In its judgement of 16.10.2023, the Court of Treviso upheld Ariston Cavi's claim, finding that the extent of the alleged damage had been proved. The ruling also upheld AP Reti Gas Vicenza's claim for indemnity and ordered CPL to pay the costs of the litigation. The outcome of the Court, therefore, can be considered positive.
The judgement has become final.

FIN ENERGY S.A. (Capital increase of Asco EG)

A lawsuit before the Court of Enterprises of Venice (R.G. 5768/22), initiated by Fin Energy S.A., a minority shareholder of Asco EG, against the same company, with a petition notified on 03 August 2022, challenging the capital increase resolved by the shareholders' meeting of Asco EG on 27 May 2022, by means of an appeal against the relevant resolution.
The Company, considering the claim unfounded, entered an appearance within the time limit.
The first two hearings took place on 21 December 2022 and 19 July 2023.
The witness hearing took place on 12 October 2023.
The Judge set deadlines for the filing of closing statements and rebuttal briefs for 17 June 2024 and 8 July 2024, respectively.
In its Judgment of 02 October 2024, the Court of Venice rejected Fin-Energy's claims in their entirety, ordering the latter to pay Asco EG's costs.
On 28 February 2025, Fin Energy served an appeal against the first instance judgment, summoning Asco Power to the hearing scheduled for 11 June 2025.

FIN ENERGY S.A. (Resolution of the shareholders' meeting to merge Asco Renewables into Asco EG)

A lawsuit before the Companies Court of Venice, initiated by Fin Energy S.A., a minority shareholder of Asco EG, against the same company, with a writ of summons served on 13 January 2025 for the hearing of 27 May 2025, requesting the appointment of a representative of the Company pursuant to Article 78 of the Italian Code of Civil Procedure. (considering that the current legal representatives of Asco EG S.p.A. are representatives of Ascopiave S.p.A.) and the annulment or declaration of nullity, or in any case the invalidity of the resolution adopted on 14 October 2024 by the extraordinary shareholders' meeting of Asco EG S.p.A, of approval of the merger project by incorporation of Asco Renewables S.p.A. into Asco EG S.p.A.. The exchange ratio was reviewed by a court-appointed expert, who expressed a positive opinion.
On the merits, Fin Energy disputes the exchange ratio, arguing that the shareholding in its favour should be 12.3%, instead of the 9.8% envisaged in the merger plan, approved by the Extraordinary Shareholders' Meeting of 14 October 2024. The difference (2.5%), according to Fin Energy's prospectus, would have a countervalue of approximately Euro 4.45 million.
Asco EG (now Asco Power), considering the claims to be unfounded, will enter an appearance to resist the plaintiff's action.

CLAIM FOR COMPENSATION OF FORMER ADMINISTRATOR

A lawsuit, c/o the Court of Enterprises of Venice, brought by a member of the Board of Directors of Eusebio Energia, with an appeal pursuant to Article 281 u*ndesdecies* of the Code of Civil Procedure, in which he, deeming unlawful the manner in which he was terminated from office, sued Asco EG, as assignee of Eusebio Energia, for recognition of the loss of earnings for the period from 1 January 2014 to 30 June 2016, quantified in Euro 500,000, plus CP and VAT.
The company entered an appearance, contesting the claim, with both procedural and substantive arguments. The next hearing is set for 06 February 2025.
In Judgement No. 784 of 13 February 2025, the Court confirmed the company's position and declared the appeal inadmissible (given a previous judgement that had recognised arbitral jurisdiction), sentencing the plaintiff to pay the costs (Euro 17,500, plus expenses).

PROVINCE OF VERBANO CUSIO OSSOLA (Appeal against Injunction Order)

A civil suit commenced with the notification of an appeal pursuant to Article 22 of Law 689/1981 c/o the Court of Verbania (R.G. 64/2023), by Sangineto Energie S.R.L. (merged into Asco Renewables, in turn merged into Ascop Power S.p.A.), against the Provincia del Verbano Cusio Ossola, for annulment and/or a declaration of nullity and/or revocation, subject to suspension, of the Provincia's injunction order of 10 January 2023, prot. No. 299, Rep. no 1/2023, by which the Ente is claiming from Sangineto Energie (as assignee of Sant'Anna S.R.L.) and from Fusio S.R.L, EVA Renewables Assets S.p.a. and Ing. S. B., jointly and severally, the payment of the amount of Euro 1,248,000.00, as the sum deriving from the penalty of Euro 1,600.00 (equal to the minimum amount) multiplied by 780 violations (of which 778 reports have been served) allegedly ascertained by the Carabinieri forestry officers (between 23 September 2015 and 05 April

2016), relating to the storage of material resulting from the construction of a diversion tunnel serving the hydroelectric plant in the municipalities of Falmenta, Gurro and Cavaglio Spoccia.
The Company disputes both the inclusion in the perimeter of debtors, the quantum claimed, and the very legitimacy of the procedure adopted to impose the penalty.
The Court of Verbania set the hearing for discussion on 23 May 2023, then postponed to 21 June 2023.
By order of 06 November 2023, the Court suspended the enforceability of the order issued by the Verbano Cusio Ossola Province, prot. no. 299, dated 10 January 2023, Rep. no. 1/2023 against (among others) Sangineto Energie. It then adjourned the discussion and decision to the hearing on 9 July 2024, which was then further adjourned to 8 October 2024.
In a petition dated 2 February 2024, the Province asked the Judge to grant the Parties, pursuant to and for the purposes of Article 101, paragraph 2, of the Code of Civil Procedure, a term to file observations and documents on the issue raised ex officio by the Ill. Judge, regarding the status of Sant'Anna S.r.l. as owner of the land/construction site affected by the construction of the hydroelectric plant and the relative excavated earth and rocks.
The company, in addition to pointing out the merger of Sangineto Energie into Asco Renewables, responded by claiming the inadmissibility of the Province's petition, as well as reiterating the unfounded nature of the entity's claims.
In view of the hearing on 8 October 2024, the Province's lawyers asked the judge to postpone the hearing on 8 October in order to attempt an amicable settlement of the matter. The lawyers of the other parties, including those of the company, acceded to the request. As a result, the hearing was postponed to 15 November 2024.
The feared understanding, however, was not reached, resulting in the continuation of the case.
By judgment of 23 December 2024, the Court of Verbania upheld Asco Renewables' claim and consequently, annulled the injunction order prot. no. 299, rep. no. 1/2023, dated 10 January 2023 issued by the Province of Verbano-Cusio-Ossola, awarding the costs of the proceedings.
With respect to the same matter, the parent company Ascopiave had also activated negotiated remedies to protect against any liabilities that might arise.

EFFICIENT BUILDING S.P.A. (purchase of tax credits)
On 27 April 2023, certain Group companies signed a contract with Efficient Building S.p.A. for the purchase of 110% super bonus tax credits for a nominal amount of Euro 10,000 thousand, for a price paid of Euro 8,700 thousand.
In August 2023, following the initiation of a criminal investigation against the assignor (and not governing the Group companies), the Guardia di Finanza notified the same companies of a preventive seizure order governing part of the tax credits acquired, for a nominal value of Euro 3,632 thousand, of which Euro 1,691 thousand had already been used by the companies in offsetting with certain tax expiry dates, thus cancelling their effects and exposing them to the possible request for new payment of the taxes subject to offsetting as well as the payment of the relative penalties and interest.
In light of these proceedings and additional information received, the Group companies suspended the use of the residual Super bonus credits acquired, not subject to seizure, and not yet offset against their tax liabilities, in the amount of Euro 636 thousand, requesting additional information and guarantees from the assignor with respect to the same. Invoking the guarantees contractually agreed with the assignor, during the year the Group made an out-of-court claim against Efficient Building S.p.A. for compensation/indemnity in relation to the receivables assigned by the latter and affected by the seizure order; in addition, not having received sufficient information from Efficient Building S.p.A. sufficient information to offset the remaining receivables, it also requested compensation/indemnification with respect to the receivables not affected by the seizure but that it was not able to use in offsetting within the legal deadlines, amounting to Euro 636 thousand.
The Group's reasons are based on sound arguments and consequently the Directors consider that the companies concerned are protected both with regard to the receivables subject to attachment and already set off (also in the event that the criminal proceedings against the assignor should conclude with a conviction) and with regard to the receivables not affected by attachment and not used in set-off.
Consequent to the events described, a lawsuit was commenced by AP Reti Gas Nord Est before the Court of Padua, with a writ of summons dated 14 December 2023, for the annulment for fraudulent intent of the credit assignment agreement entered into between Ap Reti Gas Nord Est S.r.l. and Efficient Building S.p.A. on 27 April 2023 and for compensation for all consequential damages.
Negotiations conducted through the respective lawyers led to a settlement agreement between the Parties, signed at the end of February 2024, which ended with Efficient Building S.p.A. paying the amounts agreed upon in the settlement on 29 April 2024.

During the first half of 2024, a settlement agreement was signed also between the other Group companies and Efficient building S.p.A. itself, reiterating what had already been signed by AP Reti Gas Nord Est S.r.l., integrating, among the amounts subject to reimbursement, part of the nominal value of the tax credit not subject to seizure, but prudentially not used in offsetting (Euro 300 thousand). For the remaining portion, a credit loss was consequently recognised. The agreed sums were paid at the end of July.
As a result, the trial was abandoned and from the next report, the case will no longer be included in active litigation.

PROCEEDINGS RELATING TO ADMINISTRATIVE OFFENCES PURSUANT TO LEGISLATIVE DECREE 231/2001

As at 31 December 2024, the following are pending:

NOTICE OF CONCLUSION OF INVESTIGATIONS BY THE BRESCIA COURT OF FIRST INSTANCE

An administrative proceeding pursuant to Legislative Decree No. 231/2001 against Asco EG (exclusively) as the assignee of Eusebio Energia, resulting from the crime of "environmental pollution" pursuant to Article 452-bis of the Italian Criminal Code charged against the then CEO (in addition to the legal representative of the contractor entrusted with the management of the Isola and Mantelera plant), which was made known to the company following the notification of the notice of conclusion of investigations, on 06 November 2024.
The disputed facts (between March 2020 and March 2021) refer to the period prior to Ascopiave's acquisition of Eusebio Energia.
The latter, therefore, is entirely unconnected with the concrete events that led to the aforementioned dispute. Moreover, none of the current directors, nor any other employees of the Group, are involved in the investigation and/or, much less, in the ensuing measures.
Asco EG filed the "*Application for consent to the application of the penalty on request, pursuant to Article 63 of Legislative Decree 231/2001*" c/o the competent Public Prosecutor's Office of Brescia. This only provides for the pecuniary sanction, indicated in a total amount of Euro 58,800.00, with the exclusion of interdictory sanctions and confiscation due to the non-existence of the conditions indicated in Article 13 of Legislative Decree No. 231/2001, given that the company did not derive any greater profit from the contested conduct. A response is currently awaited.

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Effective 01 January 2024, Asco Renewables merged the companies Eosforo S.R.L., Morina S.R.L. and Sangineto Energie S.R.L., as well as Asco Energy S.p.A., by incorporation.
With effect from 11.59 p.m. on 31 December 2024:

- Asco Renewables was merged by incorporation into Asco EG S.p.A., which, at the same time, changed its company name to Asco Power S.p.A.;
- Salinella Eolico S.r.l. changed its name to Asco Wind & Solar S.r.l.;
- the intra-group mergers and demergers project, which reduced the structure of the distribution companies to only AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest S.p.A. (formerly Romeo Gas S.p.A.), took effect.

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FORCED ACCESS - DEFAULT SERVICE

The distribution companies of the Ascopiave Group, following their regulatory obligation to do so (with particular reference to Article 40.2a of the TIVG), take action, as a rule pursuant to Article 700 of the Italian Code of Criminal Procedure, in order to obtain forced access to property and be able to disconnect the utilities served under the Default Service Directive (SDD) delinquency regime.
Appeals are directed against end customers (or de facto users).
For this purpose (and in order to comply with regulatory requirements), a management procedure has been defined that starts with the activation of the SDD and ends with its termination (for one of the various hypotheses envisaged).
It provides for the carrying out of closure attempts in the ordinary forms, the obtaining of information, the carrying out of registry checks and/or attempts to contact the end customers involved, the transmission of notices and warnings and, finally, where these initiatives are unsuccessful (originally, limited to users with AC > 500 scm/year, now with AC > 5000 scm/year - see below), the commencement of emergency legal action.
Currently, they are:

- No. 1 file filed (hearings already fixed and/or already under consideration) [N.B. due to Resolution 379-2024-R-gas, discussed below, 5 appeals were withdrawn];
- No. 5 files under enforcement;
- No. 1 file with critical procedural issues (e.g. with appeal and/or complaint rejected);
- No. 0 files under management (for which the filing of the appeal may therefore be necessary) [NB due to Resolution 379-2024-R-gas, discussed below, the reference is to users with annual "AC" consumption exceeding 5,000 scm].

With Resolution No. 379-2024-R-gas ARERA introduced extremely significant changes to the regulation. In a nutshell, the withdrawal limit beyond which the distributor is obliged to file a lawsuit (for forced access to the meter) has been changed, from 500 scm/year to as many as 5,000 scm/year. This will lead, in essence, to the near zeroing of the related practices. The Resolution also provides for the abandonment of pending (not already decided) proceedings.
Therefore, the annual number of cases for which a lawsuit will probably have to be taken in 2025, for all the Group's distribution companies (i.e., at present, AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest S.p.A.), can be roughly estimated at between 1 and 3 actions.

Relations with the Internal Revenue Service

ROBIN TAX

The companies Ascopiave, Ap Reti Gas Rovigo, Edigas Esercizio Distribuzione Gas, Unigas Distribuzione (merged into Ascopiave) and Asco Energy (ex. Veritas Energia) starting from the year 2008 were subject to the additional IRES (Robin Tax) introduced by Article 81 DL. 112/2008. Subsequently, in the course of 2015, the Constitutional Court declared the constitutional illegitimacy of the aforementioned tax and following this ruling, the companies requested the refund of the tax unduly paid, filing the various appeals on the basis of a retroactive interpretation of the aforementioned ruling, also supported by an opinion formulated by a constitutional lawyer.
After negative rulings by the respective Regional Tax Commissions, the companies appealed to the Supreme Court of Cassation.
In March 2022, the first negative orders were communicated, with the rejection by the Constitutional Court of the appeal promoted by AP Reti Gas Rovigo and Edigas Esercizio Distribuzione Gas, which proceeded with the presentation of the appeal to the European Court of Human Rights. In October 2024, the rejection by the Constitutional Court of the appeal promoted by Ascopiave and Asco Energy was announced.

VENETO REGIONAL DIRECTORATE AUDIT

In the month of September 2019, a short access began against the companies Ascopiave S.p.A. and Ascotrade S.p.A. (the latter merged into EstEnergy S.p.A. with effect from 1 October 2022) by the Veneto Regional Directorate of the Agenzia delle Entrate (hereinafter Revenue Agency) in relation to Ires, Irap and Iva, with respect to the annual periods ranging from 2013 until the date of access.
The first phase of the audit activities led to the issuance on 29 October 2019 of a Formal Notice of Findings against Ascotrade S.p.A., a company sold on 19 December 2019 to the Hera Group and subject to a specific guarantee, containing findings regarding direct and indirect taxes related to the years 2013 and 2014. With sentence No. 577/2023 issued by the Veneto Court of Tax Appeals of second instance, the company obtained the definitive annulment of the assessment acts, a sentence not appealed by the losing Revenue Agency.
With reference to subsequent accounting periods, the audit activities continued with the issuance on 29 September 2020, against Ascotrade S.p.A., of the Formal Notice of Assessment referring to the year 2015, subsequent to which, subsequent to the presentation of specific pleadings, the Inland Revenue issued the notices of assessment on 23 December 2020, subject to the subsequent appeal by the company before the Provincial Tax Commission of Venice, which was accepted with the sentence of 23 February 2022, which provided for the annulment of the relative contested acts. On 15 November 2022, the Revenue Agency filed an appeal, discussed on 12 July 2024, which was then rejected by the Veneto Court of Second Instance Tax Court with sentence no. 751/2024, which sentenced the Revenue Agency to pay the costs of the litigation.
On 23 December 2021, Ascotrade S.p.A. was served notices of assessment relating to Ires for the years 2016 and 2017, as well as Irap and VAT for the years 2016, 2017 and 2018, for which an appeal was filed on 18 February 2022. On 04 July 2023 the Tax Court of First Instance of Venice filed ruling no. 315/2023 in which it accepted the appeal, providing for the annulment of the relevant contested acts. On 2 February 2024, the Revenue Agency filed an appeal, discussed on 12 July 2024, which was then rejected by the Veneto Court of Tax Justice of second instance with ruling no. 752/2024, which ordered the Revenue Agency to pay the costs of the litigation.
On 13 December 2023, EstEnergy (following the merger of Ascotrade S.p.A.) was served a notice of assessment relating to IRES, IRAP and VAT for the 2019 tax year, for which an appeal has been filed. To date, no hearing has yet been set for the hearing of the appeal. Finally, on 31 December 2024, the notice of assessment relating to IRES, IRAP and VAT for tax year 2020 was served.
The company, with the support of its tax advisor, considers the risk as 'possible' or 'remote' and therefore has not made any provision.

Regulatory Developments

Starting in 2011, the regulatory framework of the sector was significantly increased with the issuance of the Decree of 19 January 2011, which identified the Minimum Territorial Areas (ATEMs), followed by the so-called Occupational Protection Decree of 21 April 2011, implementing Paragraph 6 of Article 28 of Legislative Decree No. 164 of 23 May 2000, and the Decree of 18 December 2011, which identified the municipalities that are part of each Ambit.
Of fundamental interest is also Decree 226 of 12 November 2011 (the so-called Metrics Decree), containing the regulation governing the tender metrics and the scores resulting from the evaluation of the offer for the entrusting of the gas distribution service.
The Ascopiave Group, like many other operators, had substantially welcomed the regulatory framework summarised above, believing that it could create important investment and development opportunities for qualified medium-sized operators, moving in the direction of a positive rationalisation of supply.
Subsequently, however, the disciplinary context was further modified.
Decree Law No. 145/2013, converted, with amendments, into Law No. 9/2014, reformed the regulations on the determination of the reimbursement value of the plants due to the outgoing operator at the end of the so-called 'Transitional Period'.
Law 9/2014 amended Article 15 of Legislative Decree 164/2000, providing that:

a. the reimbursement to be paid by the new operator was calculated (first and foremost) pursuant to the provisions of the agreements and contracts and, to the extent that it cannot be deduced from the will of the parties as well as for the aspects not governed by the same agreements or contracts, on the basis of the Guidelines on metrics and operating procedures for the assessment of the reimbursement value referred to in Article 4, paragraph 6, of Decree-Law 69/2013, converted, with amendments, by Law 98/2013;
b. in any case, private contributions relating to locational assets, valued according to the methodology of the tariff regulation in force, were deducted from the reimbursement value (VR or VIR);
c. where the VIR is greater than ten per cent of the locality RAB, the granting local authority, prior to the publication of the call for tenders, must transmit to ARERA the relevant detailed evaluations in order to allow the Authority to perform a congruity check (so-called VIR / RAB variance).

On 6 June 2014, pursuant to the aforementioned regulatory provisions, the Decree of 22 May 2014 was published approving the "Guidelines on Metrics and Application Modalities for the Evaluation of the Reimbursement Value of Natural Gas Distribution Facilities" called to define the metrics to be applied for the evaluation of the reimbursement value of facilities, in the absence of a full negotiated regulation and/or to supplement those aspects not provided for in the agreements or contracts.
The 'Guidelines' presented several critical aspects not only in terms of the consequent valuation, but also in terms of the scope of application, which was extremely broad, to the point of deeming ineffective the VR agreements entered into between operators and municipalities after 12 February 2012 (the date on which Ministerial Decree 226/2011 came into force). Moreover, the Guidelines themselves did not implement, and indeed were in conflict with the provisions of Article 5 of Ministerial Decree 226/2011 in force at the time (contrary to the regulatory provision that referred to Article 4, paragraph 6 of Law Decree 69/2013, which, in turn, made explicit reference to Article 5 of Ministerial Decree 226/2011).
In consideration of these profiles of alleged illegitimacy, Ascopiave S.p.A., together with other leading operators, challenged the Ministerial Decree of 21 May 2014 (and thus the Guidelines) with an appeal to the Regional Administrative Court of Lazio, in which a question of both constitutional and community legitimacy was raised, referring above all to the (substantially retroactive) interpretation of the new rules governing the deduction of private contributions established by Law 9/2014 and the limit of effectiveness of previous agreements between operators and municipalities.
Subsequently, with Resolution 310/2014/R/gas - 'Provisions on the determination of the reimbursement value of natural gas distribution networks', the Sector Authority regulated the methods for verifying the VIR / RAB deviation.
Law No. 116/2014 (converting, with amendments, Decree-Law No. 91/2014) introduced a further amendment to Article 15 Paragraph 5 of Legislative Decree No. 164/2000, confirming that the redemption value must be calculated, first and foremost, pursuant to the provisions of the agreements or contracts, (but) provided that the latter were entered into

prior to the date on which Ministerial Decree No. 226/2011 came into force, i.e. prior to the date of 12 February 2012, thereby "endorsing" the retroactivity of the application of the Guidelines.

On 14 July 2015, Decree 106/2015 amending DM 226/2011 was published. The amendment, specifically, introduced:

1. a partial amendment of the provisions on VR to be applied in the absence of specific agreements between the parties. In substance, what is already provided for in the Guidelines is largely taken over;
2. the increase of the maximum threshold of the amount of annual fees that can be offered in tenders to local authorities, raised from 5%, to the current 10% of the main components (not all of them) of the Tariff Revenue Constraint (VRT);
3. the regulation of some important technical-economic aspects, related to the energy efficiency investments to be included in the offer, governing the valorisation of the amounts recognisable to local authorities and the (partial) tariff recognition of the coverage of the related costs.

Law 21/2016 converting the so-called 'Decreto Mille Proroghe' (Extensions Decree) provided for the final extension of the deadlines for the publication of calls for tenders, also regulating the timing of the substitutive interventions of the Regions, or, as a last resort, of the Mi.SE, and repealing the penalties for delay previously provided for municipalities.

In essence, to date, the above-mentioned deadlines have been largely missed.

In recent years, a number of calls for tenders have been published to entrust the service with the Ambit procedure. Many, however, have not followed the procedure provided for by the regulations, in terms of prior examination by ARERA of both the VR, the VIR-RAB deviation, and the overall contents of the call for tenders and its annexes. Moreover, most of the tenders deviated, even significantly, from the tender evaluation metrics.

In essence, the standardisation of the tendering process, as envisaged by the regulations, has encountered serious difficulties in imposing itself.

Law 124/2017 (Annual Law on the Market and Competition) introduced innovations in order to reduce timeframes and simplify the verification process. In particular:

- The granting local authority is given the opportunity to certify (also through an appropriate third party) that the reimbursement value was determined by applying the provisions contained in the Guidelines, and this concludes the process if the aggregate VIR-RAB variance of the Ambit does not exceed 8 per cent and the VIR-RAB variance of the municipality concerned does not exceed 20 per cent;
- if the value of the net fixed assets of locations is misaligned with respect to the sector averages as defined by the Authority, the value relevant for the calculation of the VIR-RAB deviation is determined by applying the parametric valuation metrics defined by ARERA (now Article 24 of the RTDG);
- it is envisaged that the Authority, by means of its own provisions, shall define simplified procedures for the evaluation of calls for tenders, where these are drawn up in compliance with the model call for tenders, the model specifications and the model service contract, specifying that, in any case, the tender documents may not deviate from the maximum scores provided for in Articles 13, 14 and 15 of Decree No. 226/11 (except within the limits provided for in the same articles with regard to certain sub-metrics).

The Authority implemented the provisions of Law 124/2017 with Resolution 905/2017/R/gas dated 27 December 2017.

In the meantime, art. 1, paragraph 453 of Law 232/2016 sanctioned the authentic interpretation of art. 14, paragraph 7 of Legislative Decree 164/2000, in the sense that the outgoing operator remains obliged to pay the concession fee, where provided for in the original concession contract.

With respect to the duration of the so-called "transitional period", for the concessionary relationships prior to the enactment of Legislative Decree 164/2000, considering all the extensions provided for by the measures that followed one another over time, together with the optional extensions attributable by the Municipalities up to the enactment of Legislative Decree 93/2011, two alternative "*ope legis*" expiry dates were identified, on 31 December 2012 and 31 December 2010, depending, respectively, on whether or not the concession had been awarded through a comparative procedure, even if extremely simplified.

In the absence of the identification of a new area manager, subsequent to the expiration of the aforementioned terms, pursuant to the combined provisions of Article 14, paragraph 7 of Legislative Decree No. 164/2000, Article 24, paragraph 4 of Legislative Decree No. 93/2011 and Article 37, paragraph 2 of Law Decree No. 83/2012, the outgoing managers are obliged to continue the ordinary management of the service, without interruption.

To date, the regulatory framework has been further supplemented and amended by Law No. 118/2022, which, in Article 6, on the one hand, provided for the possibility for municipalities to sell, at the time of the tender, the sections they own with VIR valuation, determined in application of the Guidelines, while on the other, it provided for the renewal of

Ministerial Decree No. 226/2011. This, however, despite the six-month deadline set by Law 118/2022, has not yet been reformed.
The extreme proliferation of regulations following Ministerial Decree 226/2011, often without the necessary structure and followed by various disputes, has substantially prevented the implementation of the ATEM system hypothesised since the introduction of Article 46-bis of Law Decree 159/2007 (converted, with amendments, into Law 222/2007). Only very few Ambits, in fact, have seen the tender process completed. Among these are Milan 1, Aosta, Udine 2 and Belluno (with respect to the latter, please refer to what is stated below).

Tenders of interest

The Municipality of Belluno, the contracting station of the Belluno Atem, published the call for tenders for the concession of the service (open procedure) in December 2016.
In September 2017, the Group company AP Reti Gas S.p.A. submitted its offer.
The tender acts were challenged by a participating operator. In Judgment No. 886/2017, the Veneto Regional Administrative Court rejected the appeal. The pronouncement was then confirmed by the Council of State, with Sentence of 22 January 2019.
At the end of the bid evaluation, AP Reti Gas S.p.A. was the best bidder for the technical part, but ranked second in the overall score, behind Italgas Reti S.p.A.
AP Reti Gas, believing that there were many profiles of inconsistencies in the tender of the winning bidder, challenged the outcome of the tender, but the appeals (at first instance to the Veneto Regional Administrative Court and on appeal to the Council of State) were not upheld.
The handover of management to Italgas Reti took place on 1 February 2024.
In December 2018, the Municipality of Schio, contracting station of the Atem Vicenza 3 - Valli Astico Leogra e Timonchio, published the call for tenders (restricted procedure).
At the time, in this area, the Group companies AP Reti Gas S.p.A. and AP Reti Gas Vicenza S.p.A. managed the service in 28 municipalities, for a total of over 80,000 users. Subsequently, the management perimeter was implemented following the entry of Romeo Gas S.p.A. into the Group.
AP Reti Gas S.p.A. and AP Reti Gas Vicenza S.p.A., as a precautionary measure aimed at avoiding future risks of forfeiture with respect to the content of the Notice, which was deficient in several essential aspects (e.g. indication of the reimbursement values, tender specifications, etc.), challenged the Notice, with an appeal to the Veneto Regional Administrative Court, notified on 16 January 2019.
In Judgment No. 667/2019 of 3 June 2019, the Regional Administrative Court declared the appeal inadmissible on the grounds that the contents of the tender documents would necessarily have to be supplemented by the Contracting Authority in the continuation of the procedure.
The ruling was positive for the applicants, overcoming the objective concern that the tender procedure might crystallise and continue on the basis of incorrect values. For that reason, it was not appealed.
Subsequently, after several extensions, the tender process was and is currently suspended.

Significant events subsequent to the end of the 2024 financial year

Shareholders' agreements - updating of voting rights

On 7 January 2025, pursuant to the laws and regulations in force, Ascopiave informed that an updated version of the key information relating to the shareholders' agreement signed on 16 March 2020 was published in the Corporate Governance section of the website *www.gruppoascopiave.it*.

Ascopiave announced that this update exclusively concerns the change in the number of voting rights held by certain signatory shareholders consequent to the intervening increases in voting rights, as communicated by Ascopiave on 7 June 2024 and 5 July 2024.

Pursuant to Articles 65-quinquies, 65-sexies and 65-septies of the Issuers' Regulations, the document has been made available to the public at the company's registered office, at Borsa Italiana S.p.A., on the authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com) of Teleborsa S.r.l and in the Corporate Governance section of the website *www.gruppoascopiave.it.*

Strategic Plan 2025-2028

On 13 February 2024, the Board of Directors approved the Group's 2025-2028 strategic plan. The plan outlines a sustainable growth path in the core businesses of gas distribution and renewable energies, enhancing the impact of investment initiatives already underway and with high visibility. These include the acquisition from the A2A Group of a number of gas distribution concessions in Lombardy, which should be finalised in July 2025 and will allow Ascopiave to further strengthen its presence in a regulated business with significantly stable profit margins.

The development will take place under conditions of a balanced financial structure, ensuring a profitable and growing dividend distribution.

Economic and financial highlights

- ✓ EBITDA to 2028: Euro 161 million (+ Euro 66 million compared to the 2024 budget);
- ✓ Net result to 2028: Euro 41 million (+ Euro 9 million compared to the preliminary 2024 result);
- ✓ Net investment 2025-2028: Euro 871 million;
- ✓ Divestments of minority interests 2025-2028: Euro 288 million;
- ✓ Net financial position to 2028: Euro 690 million;
- ✓ Financial leverage (Net Financial Position / Shareholders' Equity) to 2028: 0.76;
- ✓ Dividend payout forecast: 15 cents per share for the accounting period 2024, increasing by 1 cent per share in subsequent years until 2028.

The plan is based on four key strategic pillars: growth in core businesses, diversification into synergetic sectors, economic and operational efficiency and innovation.

The Group's strategy aims to pursue sustainable business success, integrating environmental, social and economic sustainability aspects, and is oriented towards the goal of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders.

Tender for sale of the shareholding of the Province of Treviso in Acantho S.p.A.

On 24 February 2025, following the results of the public auction for the sale of the entire shareholding of the Province of Treviso held in Acantho S.p.A., Ascopiave S.p.A. was provisionally awarded the bid at a total price of Euro 3.4 million.

Dividend distribution

On 18 April 2024, the Shareholders' Meeting approved the annual financial statements and resolved to distribute an ordinary dividend of Euro 0.14 per share with an ex-dividend date on 6 May 2024, record date on 7 May 2024 and payment on 8 May 2024.

Treasury shares

Pursuant to Article 40 of Legislative Decree 127, paragraph 2 d), it is acknowledged that as of 30 September 2024, the company held 17,973,719 treasury shares for a value of Euro 55,987 thousand, which are recognised as a reduction of other reserves as can be seen in the statement of changes in shareholders' equity.

Foreseeable development of operations

As far as gas distribution activities are concerned, in 2025 the Group will continue to be involved in the normal management and running of the service and in carrying out preparatory activities for the next tenders for the awarding of concessions. In the event that in 2025 the process of the tenders relating to the Ambits of interest to the Ascopiave Group were to progress, given the time normally foreseen for the presentation of the offers and those required for their evaluation and for the adoption of the award decisions by the contracting stations, it is believed that the possible start-up of the new management could take place subsequent to the end of the 2025 accounting period and therefore would not be able to change the perimeter of the activities currently managed.
With regard to the economic results, given the substantial definiteness and stability of the regulatory framework, results are expected, on a like-for-like basis, to be partially down on those of the previous year, mainly due to the reduction in tariff revenues induced by the decrease in the rate of return on recognised capital (from 6.5% in 2023 to 5.9% in 2025) ordered by ARERA to take into account the trend in market parameters.
However, the consolidation, starting in the second half of the year of the results of the activities to be acquired by the A2A Group should largely offset this effect.
As far as the production and sale of electricity from renewable sources is concerned, it should benefit from the commissioning of a new 9.9 MW photovoltaic plant, which will be completed and managed by the company Asco Wind & Solar S.r.l..
As far as gas and electricity sales activities are concerned, Ascopiave will collect the dividends distributed by EstEnergy and Hera Comm, which will be resolved upon approval of the financial statements for the year 2024. By July there will be the transfer of the shares currently held in EstEnergy to the shareholder Hera Comm, following the exercise of the put option, as described above. The transaction will result in the emergence of an accounting gain that will affect the results for the year.
It should be noted that actual results in 2025 may differ from those indicatively projected above due to various factors including: general macroeconomic conditions, the impact of energy and environmental regulations, success in the development and application of new technologies, changes in stakeholder expectations and other changes in business conditions.

Inflationary trends and interest rates

The year 2024 was characterised by the factors generated in previous years. In 2022, in fact, the inflationary spiral that had already begun in 2021 was revived due to misalignments generated between supply and demand when the pandemic began to subside. The onset of the Russian Ukrainian conflict, which is still ongoing, had significantly influenced the trend in energy commodity prices, reinvigorating the already growing inflationary trend. In fact, the increase in natural gas prices affected energy commodity prices, the effects of which quickly spilled over to other consumer goods that require energy for manufacturing or transportation. In particular, among the most sensitive to commodity trends were foodstuffs, a sector already partly affected by the contraction of Ukrainian production and reduced Russian exports. In 2022, the Federal Reserve and the European Central Bank, like other central banks around the world, started a process of raising interest rates in order to curb the run-up in inflation and, at the same time, try to avert an excessively violent slowdown that would lead to a recession in their respective countries. The inflationary trend showed a significant deceleration compared to the previous year but still showed significant growth rates. The countermeasures introduced by the central banks and governing bodies began to show appreciable effects already in the course of the accounting period 2023, at the end of which, inflation stood at 5.7 per cent, showing a significant contraction from the previous year. The ECB gradually increased the reference rate until it reached a plateau of 4.5%. This interest rate was substantially confirmed until September 2024 when, in view of the positive signals from the consumer price index trend, the European Central Bank announced the first of the subsequent cuts made (at the end of the year the reference rate was 3.4%). In Economic Bulletin No. 1 of 2025, Banca D'Italia points out that the markets expect a further reduction of 75 basis points in the course of 2025.
Forecasts made by various agencies show an inflation rate of less than 2% for the year 2025.
The main risks for the global economy, and the ones that could most influence the estimates described, include escalating trade tensions, protectionism and evolving geopolitical conflicts.
The Group's management continues to monitor, through the use of external indicators and internally developed values, the impacts in terms of performance so as to be able to intervene with any corrective measures aimed at mitigating the effects that might be reflected in the performance of the business.

Group policies, goals and description of risks

The Ascopiave Group is committed to developing an integrated and proactive risk management culture in order to protect shareholder value, support business continuity and promote informed decisions, contributing to the sustainable success of the company.
The Ascopiave Group pursues its strategic goals defined in the Industrial or Strategic Plan by maintaining a prudent approach to risk. To this end, the Group has equipped itself with an organisational structure and a risk management framework adequate to guarantee appropriate management of the risks to which it is exposed.
The Group's internal control and risk management system consists of the set of rules, procedures and organisational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.
The Enterprise Risk Management process is therefore integrated into the Ascopiave Group's organisational and corporate governance structures with the aim of constantly promoting a corporate-wide risk culture and management, while respecting the management autonomy of the Ascopiave Group's subsidiaries.
The main categories of risks to which the group is potentially exposed can be summarised as follows:

- Strategic direction risks: these are the risks related to the Strategic Plan, the investment plan, and M&A transactions;
- Financial Risks: these are risks related to liquidity management, interest rates, credit rating, derivatives, etc;
- Operational Risks: these are risks related to the ownership of assets and the operation of business activities, processes and procedures, and human capital management;
- Legal & Compliance Risks: these are the risks related to the management of legal-regulatory developments, the management of litigation and the organisational and governance framework;
- HR/organisation risks: these are the risks related to human capital management;
- HSE risks: these are risks related to occupational health and safety management and environmental issues.

Risks related to tenders for the award of new natural gas distribution concessions
As at 31 December 2024, the Ascopiave Group held 301 natural gas distribution concessions (304 as at 31 December 2023).
Pursuant to the provisions of the regulations in force applicable to the concessions it holds, tenders for new assignments of the gas distribution service will no longer be called for each individual municipality, but exclusively for the territorial areas determined by the Ministerial Decrees of 19 January 2011 and 18 October 2011, and pursuant to the deadlines indicated in Annex 1 to the Ministerial Decree on the metrics for tenders and evaluation of bids, issued on 12 November 2011, as subsequently amended.
As the tenders progress, the Group may or may not be awarded one or more of the new concessions, or on less favourable terms than the current ones, with possible negative impacts on operations and on the Group's economic and financial position, without prejudice to the collection of the expected reimbursement value in favour of the outgoing operator in the event of non-tender for the municipalities currently managed by the company.
To address this risk, the Group monitors regulatory developments (national, regional, local) and assesses potential impacts on the tendering process and has a dedicated structure to manage ATEM tenders.

Risks related to the quantification of the reimbursement to be paid by the new operator
With regard to gas distribution concessions for which the Group is also the owner of the networks and plants, Law no. 9 / 2014 establishes that the reimbursement recognised at the expense of the incoming operator shall be calculated in compliance with what is established in the conventions and contracts and, for what cannot be deduced from the will of the parties as well as for aspects not governed by the same conventions or contracts, according to the guidelines on metrics and operating methods for the evaluation of the reimbursement value referred to in Article 4, paragraph 6, of Decree-Law No. 69 of 21 June 2013, converted, with amendments, by Law No. 98 of 9 August 2013.
In any case, the private contributions relating to locational assets, which are valued according to the methodology of the tariff regulation in force, are deducted from the reimbursement value. Moreover, if the reimbursement value is higher than ten per cent of the value of the net fixed assets of the locality calculated in the tariff regulation, net of the public capital contributions and of the private contributions related to the locality assets, the granting local

authority transmits the relevant detailed evaluations of the reimbursement value to the Regulatory Authority for Energy, Networks and Environment for verification prior to the publication of the call for tenders.
The Decree of the Minister of Economic Development No. 266 of 12 November 2011 states that the incoming operator acquires ownership of the plant with the payment of the redemption value to the outgoing operator, with the exception of any portions of the plant owned by the municipality.
When fully operational, i.e. in the periods subsequent to the first, the reimbursement to the outgoing operator will in any case be equal to the value of the net fixed assets of the locality, net of public capital contributions and private contributions relative to the locality assets, calculated with reference to the metrics used by the Authority to determine the distribution tariffs (RAB). On this point, it should be noted that the Authority intervened with Resolution 367/2014/R/gas, providing that, the redemption value, pursuant to Article 14, paragraph 8, of Legislative Decree No. 164/00, at the end of the first period of entrustment of the area be determined as the sum of:

a) residual value of the stock existing at the beginning of the entrustment period, assessed for all the assets subject to transfer for consideration to the incoming operator in the second entrustment period according to the redemption value, pursuant to Article 5 of Decree No. 226/11, recognised to the outgoing operator at the time of the first entrustment by sector, taking into account the depreciation and divestments recognised for tariff purposes during the entrustment period;
b) residual value of the new investments made during the entrustment period and existing at the end of the period, valued on the basis of the revalued historical cost criterion for the period in which the investments are recognised at the end of the period, as provided for by Article 56 of the Gas Distribution and Metering Services Tariff Regulation (RTDG), and as the average between the net value determined on the basis of the revalued historical cost criterion and the net value determined on the basis of the standard cost valuation methodologies, pursuant to paragraph 3.1 of Resolution 573/2013/R/GAS, for the subsequent period.

The Group monitors regulatory developments, also with the support of external professionals, and has an organisational structure dedicated to the topic of scope tenders.

Transition Risk

Transition risk is related to legal, regulatory and technological changes associated with combating climate change and the transition to a low-emission economy.
As the Ascopiave Group is operating in the energy sector, these changes could affect revenues and profitability of the expected investments.
To mitigate the possible impact of the risk, the Group has set up structures dedicated to monitoring regulation, legislation and their evolution plans, and actively participates in consultations called by regulatory bodies through trade associations. It also invests in technology, such as CRDS (Cavity Ring-Down Spectroscopy) technology for preventive pipeline monitoring and leak detection, and is engaged in activities to transform the network into digital infrastructure to enable the distribution of gases other than methane, such as hydrogen, biomethane and e-gas. In addition to these measures, in recent years the Group has begun a path of differentiation by entering the renewable energy sector. Currently, the Group operates hydroelectric and wind power plants and is developing projects for solar energy production.

FINANCIAL RISKS

Credit and liquidity risk

The main financial instruments used by the Group are cash and cash equivalents, bank debt and other forms of financing. It is considered that the Group is not exposed to a credit risk higher than the sector average, considering that it provides its business services to a limited number of operators in the gas sector, whose rules for access to the services offered are established by the Regulatory Authority for Energy Networks and the Environment and are set forth in the Network Codes, which dictate contractual clauses that reduce the risk of default by customers.

The Codes provide, specifically, for the issuance of suitable collateral to partially cover the obligations undertaken if the customer does not have a credit rating issued by leading international bodies.

To protect against residual possible risks on receivables, an allowance for doubtful accounts was accrued, which at year-end was equal to about 4.1% (24.6% at 31 December 2023) of the gross amount of receivables from third parties for invoices issued. Significant commercial transactions take place in Italy.

With regard to the company's financial management, the directors assess the generation of liquidity, deriving from operations, to be adequate to cover its needs.

The Group has a process for preparing and monitoring the financial and management plan, and for controlling and reporting Financial Risks. Financial planning is performed on an annual timeline and is done at least weekly, sometimes with mid-week updates.

OPERATIONAL RISKS

Ascopiave oversees the company's processes and activities with respect for the health and safety of workers, environmental protection, quality and energy saving in the services offered and anti-corruption.

Risks of malfunctioning and/or interruption of the distribution service

Accidental unforeseen events such as accidents, breakdowns of equipment or control systems, drops in plant performance, and exceptional events such as explosions, fires, or other similar events, result in risks of infrastructure malfunctioning up to and including the possible unforeseen interruption of the distribution service.

Such events could lead to a reduction in revenues and cause significant damage to people, property or the environment. To deal with these risks, the Group has implemented appropriate technical, organisational and procedural measures, including the management of accidents and emergencies, and developed preventive maintenance plans. In addition, technological innovation activities have been developed, such as the use of Picarro CRDS (Cavity Ring-Down Spectroscopy) technology, currently the most advanced and high-performance technology for leak detection.

The Group has also taken out specific insurance contracts to cover the risks described, which help to limit any negative effects caused by accidents and/or service interruptions.

Risks related to cyber security

These are the risks of unavailability/loss of Confidentiality and/or Information Integrity consequent to cyber-attacks that are being conducted against companies with increasing frequency and complexity.

The Group has equipped itself with a set of technical, organisational and procedural measures to protect its information assets and works constantly to ensure the protection of information systems and data, carrying out prevention, detection and action against potential cyber-attacks.

All users of information systems regularly benefit from specific training on cyber risks, common vulnerabilities, phishing and spam, delivered via a digital platform.

Vulnerability Assessments and Penetration Tests are also performed periodically in order to assess the effectiveness of the systems in place and take the necessary corrective actions to increase the security of the managed systems.

It should be noted that the Group companies affected by NIS 2 registered in the ACN platform within the legal deadline.

Risks associated with energy efficiency certificates

Article 16.4 of Legislative Decree No. 164/2000 requires natural gas distribution companies to pursue energy-saving goals and the development of renewable sources.

In return for the results achieved, distributors are awarded so-called Energy Efficiency Certificates, the cancellation of which results in a reimbursement by the Cassa per i Servizi Energetici e Ambientali (Energy and Environmental Services) financed from the funds set up through the RE (Energy-Savings) component of distribution tariffs.

ARERA determines the specific energy-saving targets for electricity and natural gas distributors taking into account the annual national savings quantities to be pursued through the white certificates' mechanism.

There is a potential risk of economic loss for the group due to the possible negative difference between the average purchase value of securities and the recognised tariff contribution and/or the possible failure to achieve the assigned targets. To guard against this risk, the group has a structure dedicated to the management of activities and the monitoring of regulations on the subject.

Risk related to the execution of the investment plan under the concessions

Natural gas distribution concessions provide for commitments on the part of the concessionaire, including commitments related to investments to be made during the cost of the concession term.

It cannot be ruled out that, also due to delays in obtaining authorisations and permits, these investments may be performed beyond the foreseen time limits, with the risk that charges may be incurred by the Group. To mitigate this risk, the group has set up technical and management organisational structures to monitor the progress of investments.

Regulatory risk

The Group operates in a regulated sector. The directives and regulatory measures issued on this matter by the European Union and the Italian Government, the decisions of ARERA and, more generally, changes in the reference regulatory context may have an impact on the Group's operations, economic results and financial balance.

Of particular importance is the development of the metrics for determining reference tariffs.

Future changes in regulations adopted by the European Union or at a national level cannot be excluded, which could have unforeseen repercussions on the regulatory framework and, consequently, on the Group's business and results.

The Group has dedicated structures to monitor regulations, legislation and their evolution plans. Regulatory developments are therefore constantly monitored to enable a rapid understanding of the effects and the implementation of the necessary organisational, technical or process changes to ensure compliance with laws, rules and regulations.

Legal and non-compliance risk

The legal and non-compliance risk consists of non-compliance, in whole or in part, with European, national, regional and local regulations with which the Group must comply in carrying out its activities.

Violation of the rules may result in criminal, civil and/or administrative sanctions as well as financial, economic and/or reputational damage. With reference to specific cases, inter alia, the violation of regulations to protect the health and safety of workers and the environment and the violation of regulations to fight corruption, may lead to sanctions, even significant ones, against the Group under the regulations on the administrative liability of entities (Legislative Decree no. 231/01). In view of these risks, the Group has adopted and constantly updates the Code of Ethics and the Organisation, Management and Control Model for the prevention of offences for the purposes of Legislative Decree no. 231/2001 ('Model 231').

The Group conducts its business in compliance with applicable regulations, compliance with laws, rules and regulations is carefully monitored by the appropriate organisational structures.

Risks related to environmental protection, health and safety

The Group carries out its activities in compliance with Italian and European Union regulations on environmental protection, observing the laws that regulate and govern environmental and safety issues.

Despite the attention paid to this matter, it cannot be excluded with certainty that the Group may incur costs or liabilities, even of a significant entity. In fact, it is difficult to foresee the economic and financial repercussions of any past environmental damage, also considering the possible effects of new laws and regulations for the protection of the environment, the impact of any technological innovations for environmental remediation, the possibility of disputes arising and the difficulty of determining their possible consequences, also in relation to the liability of other parties.

The Group has an HSEQ System in compliance with the relevant standards, certified according to international standards for quality, health and safety aspects (45001), with compliance audits performed by a certification body.
Regular compliance audits on the 45001-management system with internal audits and continuous monitoring are also performed, as well as computerised training courses on HSE and management system topics.

CLIMATE CHANGE RISK MANAGEMENT

Operating in the energy sector, the Ascopiave Group has a synergetic relationship with the phenomenon of "climate change" and its business operations contribute in an immediate form to the various climate scenarios dictated by international literature such as the IPCC (International Panel for Climate Change) and NGFS (Network for Greening the Financial System).
Following the acquisitions made in 2021 and 2022 in the renewable energy sector, and with the development of new projects and investments underway, the Ascopiave Group, with its updated Strategic Plan 2025-2028, continues its commitment to the climate change mitigation activities defined by the European Green Deal, to create a carbon neutral economy by 2050, and, to reduce emissions by 55% by 2030.
In this regard, the Ascopiave Group, aware that it works in a sector that is extremely influenced by climate change, has performed an initial analysis to adapt the framework of risks and opportunities within its corporate perimeter. The analysis was conducted taking as a reference the TCFD (Task Force on Climate-related Financial Disclosure) guidelines implemented by the European Commission in the 'Guidelines on the disclosure of non-financial information: integration governing the disclosure of climate-related information'.
The project, resulting in preliminary 'disclosure', analysed the 4 pillars recommended by the document: Governance, Strategy, Risk Management, Metrics & Targets.

Governance
The strategic management of climate change aspects, as well as the governance of all aspects of sustainability, is the responsibility of the Board of Directors, in compliance with applicable regulations.
In 2021, Ascopiave S.p.A. placed the pursuit of the goal of 'sustainable success' at the heart of its corporate culture and corporate governance system.
Also, to this end, on 15 January 2021, the Board of Directors of Ascopiave S.p.A. formally adhered to the new Corporate Governance Code, whose Principle I promotes 'sustainable success'.
In 2021, the Ascopiave Group also set up the Sustainability Committee with investigative, propositional and advisory functions in the parent company's assessments and decisions on environmental sustainability and the so-called 'energy transition'.
In addition to the Sustainability Committee, the Board of Directors is also supported by the Control and Risk Committee in its assessments and decisions governing the internal control and risk management system.

Strategy
The Group's strategy aims to pursue sustainable success and is oriented towards the goal of stable value creation for shareholders, aware of the potentially significant impacts that climate can have on customers, stakeholders and the business. Moreover, on the production and distribution process front, the constant effort to improve energy efficiency is bringing benefits in terms of less energy used for the same activity, resulting in lower costs and emissions.
The 2025-2028 Strategic Plan, approved by the Board of Directors on 13 February 2025, confirms the strategic guidelines indicated in the strategic plans published in the previous two years, outlining a path of sustainable growth in the core businesses of gas distribution and renewable energies and in new areas of activity. As part of the process of energy transition and business diversification, the Ascopiave Group aims, through growth based on the enhancement of the skills possessed, to identify one or more useful strategies to mitigate the negative effects of possible scenarios arising from climate change.
Part of the planned investments in diversification in the renewable energy sector are intended for the energy transition by focusing on 'green' gases, as well as the development of new wind power plants.
Diversification within its corporate perimeter not only makes the Group more profitable and resilient to exogenous events, but also has pervasive effects on the Group's consciousness and responsibility.

Growth in diversified sectors may take place through the development of in-house expertise, participation in competitive procedures, company acquisitions or, finally, through the establishment of partnerships with experienced players.
The phenomenon of climate change is forcing companies to promote innovation and find solutions to increase energy efficiency within their business. In this regard, Ascopiave has achieved appreciable results on the energy efficiency front, implementing organisational and technological solutions to improve both the quality and reliability of service and to contain costs.

Risk Management
With particular reference to the risks and opportunities related to climate change, the Ascopiave Group relies on the support of the Governance committees Sustainability Committee and Control and Risk Committee, and, starting from October 2022, on the figure of the Risk Manager. In line with the recommendations of the TCFD, risk management involves the following steps: identification and assessment of risks/opportunities, definition of the response, periodic review and continuity/improvement of safeguards.

Metrics & Targets
As far as the metrics used by the Group are concerned, to date reference can be made to the chapter 'Energy management and emissions' in the previous year's annual financial report, where the indicators relating to energy consumption, atmospheric emissions, water use and waste production and management are described in detail. The metrics used for reporting the indicators follow the GRI Standards published by the Global Reporting Initiative.
The "Sustainable Development Goals" identified by Ascopiave through dialogue with Stakeholders are the elements on which the Group will base its sustainable growth path. The sustainability path undertaken by Ascopiave is inspired by the Sustainable Development Goals (SDGs) connected on the one hand to its own business activities (SDGs 6, 7, 8 and 9) and on the other to the impact and effects the Group has on the territories in which it operates (SDGs 11, 12 and 13).
In this context, Ascopiave's strategy incorporates the concept of assuming responsibility that the 2030 Agenda requires of every reality, not only in terms of what it does on a business level, but also as an activator of change with a view to creating sustainable systems both locally and globally.
In line with the recommendations of the TCFD, a preliminary analysis of the general and specific risks-opportunities of the Group was performed on the basis of purely qualitative considerations.
The identification of risks, and their attribution, may be difficult due to limited knowledge of climate-related issues and/or a tendency to focus mainly on short-term risks.

An initial macro-distinction between physical and transitional risk was therefore made:

- Physical risk, i.e. the risk arising from progressively changing climatic conditions, is linked to long-term variations (chronic risk) and extreme weather events (acute risk).
  These risks expose the Group to damage to or destruction of 'tangible capital' such as industrial buildings, plant and infrastructure, potential disruptions of essential supplies, and potential contraction of production and distribution capacity;
- Transition risk is related to legal, regulatory and technological changes associated with combating climate change and the transition to a low-emission economy.
  In particular, there is growing uncertainty about the future role of natural gas with potential impact on revenues and profitability of expected investments.
  In the face of this risk, the Group has defined a path of diversification by outlining a sustainable growth path in the field of renewable energies.

Other information

Research and Development

Information systems

The main project performed in 2024 concerned the adjustment of the application map to respond to the complex reorganisation of the group's distribution companies which, through a series of mergers by incorporation and partial demergers, led, effective 1 January 2025, to the concentration of the group's gas distribution activities into two legal entities from the previous seven. The project involved the entire application map including the management, technical and accounting systems used to support business processes, involving the modification of numerous processes, interfaces and reports, and the implementation of all data migration activities.
In the second half of 2024, the project to migrate the WFM Geocall application to the new Next Gen platform began, with completion expected by 2025. Geocall, in addition to supporting the process of carrying out activities on the territory, is a fundamental component of the works management process of the Group's Distribution companies, also supporting the activities of budgeting, awarding, reporting of works and creation of new assets deriving from the new realisations and extraordinary maintenance of gas networks. The works management process also integrates with Geocall the RetiNext software, which supports user management processes, the Hexagon EAM software, which supports maintenance processes, and the SAP accounting system. The Geocall solution was then enriched with a construction site management module, designed to monitor, verify and validate construction site activities assigned to external contractors. This application allows the client and the contractor to interact in real time, optimising the control and validation activities of the works.
During the period, changes were made to the software systems necessary to manage a new process that supports the definition of the technical budget for works to perform on gas distribution networks. The application changes also make it possible to manage the entire process of requesting and managing work permits.
A new process (involving data and information managed by Retinext, Geocall and the SAP accounting system) was then completed for the management of meters (larger than G6) that were uninstalled for metrological checks and then reinstalled at other redelivery points.
During the period, the project to implement the transition to Utility Network for the mapping system used for the Gas Distribution and Integrated Water System services continued. The project, which began at the end of 2023 and is being performed over a timeline of about 30 months, represents a major evolution of the mapping system and will allow a complete re-engineering of the related processes.
Activities continued on the pilot project of a software capable of simulating the fluid-dynamic behaviour of networks in real time. The project, which is currently operational on a part of the network in on-demand mode, has the goals of enabling the monitoring of networks and plants in real time, the validation of fluid-dynamic models by means of calibration graphs, and the profiling of consumption of the main utilities.
Work continued on the development and expansion of the remote-control system for monitoring pressures upstream and downstream of the GRFs, installing the relevant peripherals.
As part of investments in digital innovation, the RPA (Robotic Process Automation) technology experimentation project continued, with the aim of automating and simplifying some IT processes that required repetitive and low added-value activities from users. The project allowed the automation of a series of processes such as those related to the sending of SM1 (suspension for delinquency), A02 (activation of supply following suspension for potential danger) and IGMG (readings on meter change activities) flows, the WKR coefficient acquisition process, and the photo-label acquisition process.
Activities also continued during the period to enable the necessary adjustments and changes to systems to meet regulatory updates and internal process improvement requirements
In cooperation with the Group's HR and Risk Manager structures, the two-year Security Awareness cycle for users of the Group's information systems continued, with training, phishing tests and other types of tests (USB tests). The project always pursues the objective of raising the level of attention to cybersecurity risks on the part of information system users, paying particular attention to training for all users.
On the infrastructure side, the project to upgrade all corporate PCs to Windows 11 was developed and started, since Microsoft's support for Windows 10 is scheduled to end in the fourth quarter of 2025. This project is in progress and the

replacement of part of the PCs that have HW that is not compatible with the new operating system version has already been implemented.
A software solution was also adopted for the systematic and timely updating and alignment of third-party (non-Microsoft) software in use on company PCs (PDF readers, file compression utilities, text editors, Autocad, etc.).
During 2024, the project for the technological upgrade and rationalisation of the production virtualisation hardware platforms was completed to remain in the compatibility matrix with the new versions of virtualisation SW. Also completed in 2024 was the project for the complete replacement, in both Hw and SW components, of the Group's Wi-Fi connectivity architecture.
The existing fax system was replaced by a much more cost-effective cloud solution.
In addition to the Security Awareness training already described actions to improve cyber security continued during 2024.

In this case:
- Segregation of data centre networks (vlan) by domains of relevance, so as to 'limit' cyber risks to the specific domain by eliminating the possibility of 'lateral movements';
- Segregation of AD through 'tiering' in order to limit privilege escalation with the use of administrative credentials segregated to the relevant 'tier' only;
- Execution of VA (Vulnerability Assessments) and PT (Penetration tests) by an external company, in order to detect critical issues on the systems that need to be remedied. This process made it possible to validate and consolidate the activities, performed through the internal system, of verification and recognition of VAs present in the architectures. Some of the suggested remediations have been implemented and others are being implemented.
- Deactivation of obsolete TLS versions on all platforms in use. This project, which began about 24 months ago, came to an end after lengthy iterations with external suppliers who, in a large number of cases, had to make changes to the software to incorporate this security setting. Only five systems are currently excluded from this approach, for which it has not yet been possible to replace/decommission them, but mitigating actions have been introduced.
- Multi-factor authentication (MFA) was activated for external consultants' access to corporate IT resources. This requirement is very important for the proper management of supply-chain cyber risks.

On the corporate software side, the SAP (corporate ERP) HW change project, started in 2023, was completed in 2024.
In the second quarter, the project to digitise the Purchase Requests authorisation process by integrating SAP with DocsWeb, a workflow management and digital signature tool, which was purchased in 2023, was started, and final testing of the developed functionalities is underway.
During 2024, the company equipped itself with a cloud-based tool for managing boards of directors and institutional meetings, XDataNet's Cda On Board, which is currently in use by the Corporate Affairs Department.
Also, during 2024, a project was performed to select a new EPM (Enterprise Performance Management) software to replace the current SAP BPC in use, which is scheduled to be decommissioned in June 2026. The project to adopt the new platform started in the last quarter of 2024 and will last approximately 18 months.
Structural improvements were made to the company's intranet area and to the Silos payables flow management software; the re-engineering of the software used for optical filing is in the planning stage, and the management of the 'Work with us' section of the institutional website has been renewed. The new, redesigned software for the fiscal management of assets is nearing completion.
In 2024, a study phase began for the introduction of specific AI (artificial intelligence) tools to be made available to certain users in the 'office automation' area.

Human Resources

As at 31 December 2024, the Ascopiave Group had 495 employees, distributed among the various companies as shown below:

Companies	31.12.2024	01.01.2024	Variation
Ascopiave S.p.A.	80	77	3
AP Reti Gas S.p.A.	345	353	-8
AP Reti Gas Nord Ovest S.p.A.	55	59	-4
Cart Acqua S.r.l.	3	3	0
Asco Power S.p.A.	12	11	1
Total Group	**495**	**503**	**-8**

Compared to 1° January 2024, the Ascopiave Group's workforce was reduced by 8 employees; the changes are attributable to the following companies:

- ✓ Ascopiave: +3 employees;
- ✓ AP Reti Gas: -8 employees;
- ✓ AP Gas Networks North West: -4 employees;
- ✓ Asco Power: +1 employee.

The table summarises the breakdown of the workforce by qualification:

Description	31.12.2024	01.01.2024	Variation
Managers	13	13	0
Office workers	304	312	-8
Manual workers	178	178	0
Total Group	**495**	**503**	**-8**

Seasonal nature of operations

The natural gas distribution business managed by the Ascopiave Group is not significantly affected by seasonality; in fact, it is less influenced by the thermal trend recorded during the year, except for some minor items. Following the acquisitions made in the sector of electric energy production from renewable sources, as well as the investments made in the same field, the Group is instead exposed to environmental factors that characterise the seasons, such as rainfall/dryness, solar radiation and windiness.

Until 30 September 2024, the Group was significantly exposed to the effects of seasonality in relation to investments in associated companies operating in the sale of natural gas and electricity. Following the stipulation of the deed of sale by Ascopiave of 25% of the capital of EstEnergy, with the consequent classification of the shareholding in assets held for sale, the Group is no longer exposed to seasonality deriving from this sector.

List of company locations

Property Locations

Company	Intended use	Province	Municipality	Adress
Ascopiave spa	Operational headquarters in Schio	VI	Schio	Via Cementi, 37
Ascopiave spa	Operational Headquarters in Rovigo	RO	Rovigo	Viale del Lavoro, 24
Asco Power spa	Operational headquarters in Recoaro Terme	VI	Recoaro Terme	Via Bruni, 2
Ascopiave spa	Operational headquarters in Castel San Giovanni	PC	Castel San Giovanni	Via Borgonovo, 44/A
Ascopiave spa	Operational headquarters in Cordovado - Shed	PN	Cordovado	Via Teglio, 101
Ascopiave spa	Representative Office Milan Office - 5th floor	MI	Milano	Via Turati, 8
Ascopiave spa	Milan office - 3rd floor - In active lease	MI	Milano	Via Turati, 6
Ascopiave spa	ASCOPIAVE GROUP headquarters in Pieve di Soligo	TV	Pieve di Soligo	Via Verizzo, 1030
Ascopiave spa	San Vendemiano Operational Headquarters	TV	San Vendemiano	Via Friuli, 11
Ascopiave spa	Operational headquarters in Sandrigo	VI	Sandrigo	Viale Galileo Galilei, 25-27
Ascopiave spa	Operational Headquarters in Treviso, Appiani Area	TV	Treviso	Piazza delle Istituzioni, 34/A
Ascopiave spa	Operational headquarters in Nembro	BG	Nembro	Via Lombardia, 27
Ascopiave spa	Shed in Salussola	BI	Salussola	Via Stazione, 38
Ascopiave spa	Operational Headquarters in Basiliano	UD	Basiliano	Via Giuseppe Verdi, 12
Ascopiave spa	Operational headquarters in San Donà di Piave	VE	San Donà di Piave	Via Monte Popera, 24

Leased Locations

Company	Intended use	Province	Municipality	Adress
AP reti gas S.p.A.	Operational Headquarters in Castelfranco	TV	Castelfranco Veneto	Via della Cooperazione, 8
AP reti gas S.p.A.	Operational Headquarters in Padova	PD	Padova	Via Jacopo Corrado,1
AP reti gas S.p.A.	Operational Headquarters in San Giorgio di Nogaro	UD	San Giorgio di Nogaro	Via Ronchi, 53
AP reti gas S.p.A.	Operational Headquarters in Udine	UD	Udine	Via del Cotonificio, 60
Ascopiave spa	Ascopiave Apartment - Mosnigo di Moriago	TV	Moriago della Battaglia	Piazza Albertini 60/5 int. 6
Cart Acqua S.r.l.	CART ACQUA apartment in Orio al Serio	BG	Orio al Serio	Via Colombo, 2
AP Reti Gas Nord Ovest S.p.A.	Operational Headquarters in Marchirolo	VA	Marchirolo	Via Cavalier Busetti, 7H
AP Reti Gas Nord Ovest S.p.A.	Operational Headquarters in Marcaria	MN	Marcaria	Viale Mons. Benedini, 28-30
AP Reti Gas Nord Ovest S.p.A.	Nembro warehouse	BG	Nembro	Via Lombardia, Sub.1
AP Reti Gas Nord Ovest S.p.A.	Nembro warehouse	BG	Nembro	Via Lombardia, Sub.2
AP Reti Gas Nord Ovest S.p.A.	Headquarters in Salussola	BI	Salussola	Via Stazione, 38
AP Reti Gas Nord Ovest S.p.A.	Bagnaria warehouse	PC	Bagnaria	Località Lazzuola
AP Reti Gas Nord Ovest S.p.A.	Operational headquarters in Buccinasco	MI	Buccinasco	Via Lazio, 89
AP Reti Gas Nord Ovest S.p.A.	Operational headquarters in Marcheno	BS	Marcheno	Via Zanardelli, 40
AP Reti Gas Nord Ovest S.p.A.	Operational headquarters in Marcheno	BS	Marcheno	Via Martiri dell'Indipendenza, 76
AP Reti Gas Nord Ovest S.p.A.	Operational headquarters in Varzi	PC	Varzi	Via Mazza, 131

Remuneration paid to members of management and control bodies, general managers and managers with strategic responsibilities and shares held

Information on the remuneration paid to the members of the administration and control bodies, general managers and managers with strategic responsibilities, and on the shareholdings held by them, is provided in the Remuneration Report, prepared pursuant to Article 123 - *ter* of Legislative Decree No. 58/1998 (TUF) and approved by the Board of Directors on 4 March 2021, to which reference should be made.
The aggregate remuneration of the Group's Directors, Statutory Auditors, and Senior Management recognised in the accounting period 2024 was Euro 1,170,000 for the Directors, Euro 394,000 for the Board of Statutory Auditors, and Euro 1,699,000 for Senior Management, for a total of Euro 3,263,000.

Commentary on the financial results for the 2024 accounting period

Performance Indicators

Pursuant to the provisions of Consob communication DEM 6064293 of 28 July 2006 and recommendation CESR/05-178b on alternative performance indicators, it should be noted that the Group considers other performance indicators useful for monitoring its business, in addition to the normal performance indicators established by the IAS/IFRS international accounting standards, which, although not specifically established by the aforementioned standards, are of particular relevance. In particular, the following indicators should be noted:

- **EBITDA**: is defined by the Group as the earnings before interests, taxes, depreciation and amortization.
- **Operating profit**: this indicator is also required by the relevant accounting standards and is defined as the operating margin (EBIT) minus the balance of non-recurring costs and income. It should be noted that this last item includes contingent assets and liabilities, capital gains and losses from asset disposals, insurance reimbursements, contributions and other minor positive and negative items.
- **Gas distribution tariff revenues**: defined by the Group as the amount of revenues earned by the Group's distribution companies for the application of natural gas distribution and metering tariffs to their end customers, net of equalisation amounts managed by the Cassa per i Servizi Energetici e Ambientali (Energy and Environmental Services).

Management Performance - Key Operational Indicators

NATURAL GAS DISTRIBUTION	Full Year 2024	Full Year 2023	Var.	Var. %
Ascopiave Group				
Number of Concessions	301	304	-3	-1.0%
Length of distribution network (Km)	14,719	14,730	-11	-0.1%
Total active meters (no.)	871,410	874,376	-2,966	-0.3%
Volumes of gas distributed (scm/mln)	1,456.0	1,432.0	24.0	1.7%

PRODUCTION OF ENERGY FROM RENEWABLES SOURCES	Full Year 2024	Full Year 2023	Var.	Var. %
Ascopiave Group				
Number of plants	29	28	1	3.6%
Installed power (MW)	84.1	62.5	21.6	34.5%
Volumes of electricity produced (GWh)	217.6	150.8	66.8	44.3%

Below we comment on the performance of the main operating indicators of the Group's activities.
Please note that the value of each indicator is obtained by summing the values of the indicators of each consolidated company.

As regards gas distribution activities, during the year the volumes supplied through the networks managed by Group companies totalled 1,456.0 million cubic metres, an increase of 1.7% compared to the previous year.
As of 31 December 2024, the number of pdr (delivery points) operated by Group companies is 871,410.
The distribution network as at 31 December 2024 had a length of 14,719 kilometres, a decrease of 11 kilometres compared to 31 December 2023, mainly due to the transfer, effective 1 January 2024, of certain concessions in the ownership of Romeo Gas.
The 29 plants producing electricity from renewable sources, with a total installed capacity of 84.1 MW, produced 217.6 GWh during the year, showing an increase of 44.3% over the previous year. The improvement compared to the comparable figure is due to both the commissioning of a new wind power plant of the subsidiary Asco Wind & Solar S.r.l., which took place at the beginning of 2024, and the improvement in operating conditions compared to the 2023 accounting period, which was characterised by a significant drought.

	Full Year			
(Thousands of Euro)	2024	% of revenues	2023	% of revenues
Revenues	204,958	100.0%	180,794	100.0%
Operating costs	101,535	49.5%	86,268	47.7%
Gross operative margin	**103,423**	**50.5%**	**94,526**	**52.3%**
Amortization	51,781	25.3%	48,232	26.7%
Provision for risks on credits	0	0.0%	305	0.2%
Operating result	**51,641**	**25.2%**	**45,990**	**25.4%**
Financial income	4,666	2.3%	6,020	3.3%
Financial expense	14,872	7.3%	13,950	7.7%
Share of profit of equity-accounted investees	7,892	3.9%	3,566	2.0%
Earnings before tax	**49,328**	**24.1%**	**41,626**	**23.0%**
Income taxes	12,828	6.3%	5,005	2.8%
Result of the year from operating activities	**36,500**	**17.8%**	**36,621**	**20.3%**
Net result from transer/disposal of assets	0	0.0%	56	0.0%
Net result for the year	**36,500**	**17.8%**	**36,677**	**20.3%**
Net Result of the Group	35,824	17.5%	36,176	20.0%
Net Result of minorities	677	0.3%	501	0.3%

Pursuant to Consob Communication No. DEM/6064293 of 28 July 2006, it should be noted that the alternative performance indicators are defined in the 'Performance Indicators' section of this document.

In the accounting period 2024, the Group realised revenues of Euro 204,958,000, with an increase of 13.4% over the previous year. The table below provides a breakdown of revenues.

	Full Year	
(Thousands of Euro)	2024	2023
Revenues from gas transportation	141,068	125,702
Revenues from connections	1,079	937
Revenues from distribution services	5,140	3,660
Revenues from general services to associated companies	2,550	3,691
Revenues from ARERA contributions	19,015	16,927
Revenues from hydro-electric plants	27,057	18,743
Other revenues	9,048	11,134
Revenues	**204,958**	**180,794**

Tariff revenues from gas distribution activities (which increased from Euro 124,084 thousand to Euro 139,453 thousand) show a positive change of Euro 15,369 thousand compared to the previous year. The change is mainly explained by the change in tariff WACC and by the monetary revaluation of capital costs and tariff operating costs.
The differential between tariff revenues and the item 'gas transportation revenues' shown in the table (as of 31 December 2024 equal to 1,616 thousand and as of 31 December 2023 equal to 1,619 thousand) is explained by the revenues recognised due to the chargeback of concession fees related to Article 46-bis. It should be noted that these revenues contribute to the formation of the other cost and revenue items described in the following disclosure.

Revenues from wind-hydroelectric power plants amounted to Euro 27,057 thousand at year-end and showed an increase of Euro 8,314 thousand compared to the previous year. The increase is mainly explained by the greater quantities of energy produced in the year under review, by the commissioning of an additional wind power plant with an installed capacity of 21.6 MW, as well as by the elimination of regulatory measures, applied throughout 2022 and until 30 June 2023, which provided for a price cap on part of the energy sold. The difference between the revenues commented on here and those shown in the table refers to revenues recognised for the accrual of GO Certificates recognised for the production of energy from renewable sources.

Revenues from energy efficiency certificates (which increased from Euro 16,927,000 to Euro 19,015,000) show a positive change of Euro 2,089,000 compared to the previous year, mainly explained by the increase in the targets assigned to the Group's distribution companies.

The operating result for the accounting period 2024 amounted to Euro 51,642 thousand, with an increase of Euro 5,652 thousand (+12.3%) compared to the previous year.

The growth in operating profit is due to the following factors:

- increase in tariff revenues on gas distribution activity for Euro 15,369 thousand;
- increase in revenues from the production of energy from renewable sources for Euro 8,728 thousand;
- higher margin on energy efficiency bonds in the amount of Euro 376,000;
- lower non-recurring income related to the exercise of the put option on the 15% shareholding in Estenergy for Euro 13,558,000;
- negative change in other cost and revenue items of Euro 5,263,000.

The negative change in other cost and revenue items, amounting to Euro 5,263,000, was due to

- lower revenues of Euro 2,018,000;
- higher costs for materials, services and other charges of Euro 2,729,000;
- lower personnel costs of Euro 2,730,000;
- higher depreciation on fixed assets and provisions of Euro 3,245 thousand.

Consolidated net profit for the accounting period 2024, amounting to Euro 36,500 thousand, decreased by Euro 177 thousand (-0.5%) compared to the previous year.
The change in profit is due to the following factors:

- higher operating income, as previously mentioned, in the amount of Euro 5,652 thousand;
- decrease in financial income of Euro 1,354 thousand;
- increase in financial expenses of Euro 922,000;
- higher net profit of the companies consolidated using the equity method in the amount of Euro 4,214 thousand;
- higher taxes in the amount of Euro 7,823 thousand;
- lower net result from assets held for sale in the amount of Euro 56,000.

The tax rate, calculated by normalising the pre-tax result of the effects of the consolidation of the companies consolidated using the equity method and the dividends received, increased from 30.2% in 2023 to the current 34.5%.

Management Performance - The Financial Situation

The Group's net financial debt at year-end was as follows:

(Thousands of Euro)	31th December 2024	31th December 2023
Cash and cash equivalents	34,183	52,083
Current financial assets	1,568	3,818
Short term outstanding bonds	(7,606)	(7,708)
Current financial liabilities	(885)	(1,562)
Payables due to banks and financing institutions	(101,688)	(140,642)
Net short-term financial position	**(74,429)**	**(94,011)**
Non current financial assets	2,249	2,507
Non-current bank loans	(229,824)	(204,064)
Long term outstanding bonds	(78,805)	(86,347)
Non-current financial liabilities	(6,792)	(7,448)
Net medium and long-term financial position	**(313,172)**	**(295,352)**
Net financial position	**(387,602)**	**(389,363)**

The table below shows the reconciliation between the Group's monitored financial position and the ESMA net financial position:

(Thousands of Euro)	31th December 2024	31th December 2023
Net financial position monitored by the Group	(387,602)	(393,945)
Non-current financial receivables	2,249	2,507
Assets on interest rate derivative financial instruments	751	2,074
ESMA Net Financial Position	**(390,602)**	**(398,526)**

Some data on the Group's cash flows are presented below:

	Full Year	
(Thousands of Euro)	2024	2023
Net result for the year	36,500	36,677
Losses / (gains)	3,329	(13,899)
Dividends from equity investments	(4,251)	(4,228)
Share of profit of equity-accounted investees	(7,892)	(3,566)
Depreciation, amortization and provisions	52,642	48,536
(a) Self financing	**80,329**	**63,521**
(b) Adiustments to reconcile net profit of changes in financial position generated by operating activities	**20,017**	**(61,583)**
(c) Change in financial position generated by operating activities = (a) + (b)	**100,346**	**1,938**
(d) Change in financial position generated by investing activities	**(81,069)**	**25,835**
(e) Other financial position changes	**(17,516)**	**(5,279)**
Net financial position changes = (c) + (d) + (e)	**1,761**	**22,494**

The cash flow generated by operations (c), amounting to Euro 100,346 thousand (+), was determined by self-financing in the amount of Euro 80,329 thousand (+) and other positive financial changes in the amount of Euro 20,017 thousand (+), related to net working capital management.

Net working capital management, which generated financial resources in the amount of Euro 20,017 thousand (+), was influenced by the change in net operating working capital, which absorbed financial resources in the amount of Euro

17,866 thousand (-), by the positive change in the position with the tax authorities for IRES and IRAP tax accrual in the amount of Euro 5,536 thousand (+), and by the positive change in the VAT position in the amount of Euro 31,308 thousand (+).

The table below shows the changes in net working capital that occurred during the year:

	Full Year	
(Thousands of Euro)	2024	2023
Inventories	1,259	(940)
Trade receivables and payables	(39,587)	(120,752)
Operating receivables and payables	20,461	71,860
Impairment of assets	0	3,109
Severance pay and other funds	(311)	764
Current taxes	12,828	5,005
Taxes paid	(6,023)	(1,484)
Tax receivables and payables	31,390	(19,145)
Change in net working capital	**20,017**	**(61,583)**

Investment activity generated a cash requirement of Euro 81,069,000 (-) and mainly related to interventions and development of infrastructures for the distribution of natural gas and the development of plants in the renewable energy sector (wind, photovoltaic and other green energy plants).

Other changes in the Net Financial Position, negative and equal to Euro 17,516 thousand (-), are mainly represented by dividends, i.e., the balance between dividends distributed (Euro -30,339 thousand) and dividends collected from affiliated companies (Euro +13,471 thousand).

The table below shows the other changes in the financial position that occurred during the year:

	Full Year	
(Thousands of Euro)	2024	2023
Purchase of treasury shares	(647)	0
Dividends distributed to shareholders	(30,339)	(28,503)
Dividends received from affiliated companies	13,471	23,225
Other changes in financial position	**(17,516)**	**(5,279)**

Management Performance - Investments

During the accounting period 2024 the Group made investments in intangible and tangible fixed assets for Euro 81,069 thousand, showing a decrease of Euro 6,508 thousand compared to the previous accounting period. The decrease is mainly explained by lower investments made by companies operating in the renewable energy sector (-7,681 thousand), against higher investments made in gas distribution (+212 thousand).

The investments made in infrastructures for the distribution of natural gas amounted to Euro 61,773 thousand at the end of the accounting period. They relate to the installation and maintenance of the natural gas distribution network and plants for Euro 30,489 thousand, to the creation of connections to the same for Euro 17,441 thousand, and to the installation of measuring equipment for Euro 13,843 thousand.

Investments in renewable energy amounted to Euro 15,922 thousand. They are mainly related to the costs incurred for the completion of a wind farm in the amount of Euro 1,938 thousand, for the maintenance and upgrading of hydroelectric plants in the amount of Euro 2,031 thousand, for the construction of photovoltaic plants in the amount of Euro 7,402 thousand, and for the construction of other green energy plants (a hydrogen production plant, an electric charging station, and a hydrogen refuelling station) in the amount of Euro 4,550 thousand.

Other investments realised amounted to Euro 3,375,000. They mainly related to the purchase of hardware and software licences for Euro 1,454 thousand, the purchase of company vehicles for Euro 624 thousand, the purchase of equipment for Euro 712 thousand, as well as improvements and/or extraordinary maintenance on company premises for Euro 572 thousand.

	Full Year	
(Thousands of Euro)	2024	2023
Connecting a gas users	17,441	17,190
Expansions, reclamations and network upgrades	26,293	25,426
Flowmeters	13,843	15,615
Maintenance	4,196	3,330
Raw material (gas) investments	**61,773**	**61,561**
Hydroelectric energy production plants	2,031	507
Wind farms	1,938	12,439
Solar energy production plants	7,402	3,349
Other green energy plants	4,550	7,307
Investments in renewable energies	**15,922**	**23,603**
Land and buildings	572	582
Industrial and commercial equipment	712	179
Forniture	12	3
Vehicles	624	688
Hardware e Software	1,454	961
Other assets	0	0
Other investments	**3,375**	**2,413**
Investments	**81,069**	**87,577**

Statement of Reconciliation of Individual Shareholders' Equity with Consolidated Shareholders' Equity

	31.12.2024		31.12.2023	
(Thousands of Euro)	Groups' operating result	Total net equity	Groups' operating result	Total net equity
Net equity and results for the year as recorded in the statutory financial statements of the parent company	28,403	835,298	35,779	838,445
Net equity and results for the year obtained by subsidiary companies net of the book values of the shareholdings	37,773	(14,603)	36,275	(14,603)
Variations				
Goodwill	(0)	36,207	1,002	36,207
Added value of the sharenoldings	(0)	4,140	(0)	4,140
Appreciation of gas distribution network, net of tax effects	(118)	40,477	(8,622)	38,865
Effects deriving from the valuation of assets and equity investments made in companies in the renewable sector	(0)	(25,609)	(0)	(25,609)
Elimination of infra-group dividends	(18,868)	(0)	(22,377)	(0)
Capital gains on the sale of shareholdings	(0)	(0)	9,950	9,950
Effects of the evaluation of companies consolidated with the net equity method	(0)	(16,213)	(15,522)	(30,104)
Effects deriving from the adjustment of the revaluation of assets carried out in the subsidiaries companies	(0)	(3,476)	224	(3,476)
Effects deriving from the redemption of goodwill	(0)	1,560	(38)	1,561
Other effects	18,407	17,508	8	(1,094)
Total variations, net of tax effects	**(578)**	**54,596**	**(35,376)**	**30,441**
Net Shareholders' equity and result for the period as recorded in the consolidated financial statement	**36,500**	**857,789**	**36,677**	**854,282**
Minority interests and results	**677**	**9,824**	**501**	**9,529**
Operating result and net equity for the period as recorded in the consolidated financial statement	**35,823**	**847,966**	**36,176**	**844,753**

Consolidated Sustainability Statement

2024

Drafted pursuant to Legislative Decree No. 125/2024

Message from the Chairman

The Ascopiave Group presents its first Sustainability Report, drawn up pursuant to Legislative Decree 125/2024, implementing the Corporate Sustainability Reporting Directive (CSRD), in compliance with the European Sustainability Reporting Standards (ESRS).

The Group's path of transparency and accountability therefore continues, through increasingly detailed, comparable reporting oriented towards the creation of sustainable value in the long term, confirming its commitment to the sustainable management of resources and the promotion of a resilient development model, in line with the European Union's goals for the ecological and digital transition.

The adoption of these new reporting standards makes it possible to more accurately quantify the Group's contribution to the Sustainable Development Goals (SDGs) of the 2030 Agenda, allowing us to give full evidence of the measures introduced to reduce environmental impact and increase positive social impact, according to clear and transparent governance rules that consolidate our Group's role as a responsible actor in the pursuit of continuous improvement.

The Group's strategic evolution is accelerated, both by strengthening its leadership in gas distribution and by continuing its commitment to generating energy from renewable sources, as a concrete contribution to the energy transition.

People remain the engine of change: enhancing skills, investing in training and promoting a corporate culture based on inclusion, safety and well-being continue to be key elements in the pursuit of sustainable success.

The Ascopiave Group therefore continues to pursue a development model that aims at economic growth while ensuring environmental protection and social responsibility. The Group will continue to operate with the desire and determination to create shared value, not only for its shareholders, but also in the interest of all relevant stakeholders.

The Chairman and Chief Executive Officer

Dr. Nicola Cecconato

CHAPTER 1 - General Information

Basis for preparation

BP-1 - General Metrics for Drawing up the Sustainability Statement

This document of the Ascopiave Group (hereinafter also "Ascopiave" or the "Group"), approved by the Board of Directors of Ascopiave S.p.A. on 6 March 2025, constitutes the first Consolidated Sustainability Statement (hereinafter also "Sustainability Report" or "SR") prepared pursuant to Legislative Decree No. 125/2024 of 6 September 2024, published in the Official Gazette on 10 September 2024.

This document reports the information necessary for understanding the Group's impact on sustainability issues, as well as the information necessary for understanding how sustainability issues affect the Group performance, results and situation, pursuant to Article 4 of Legislative Decree No. 125/2024, with reference to the accounting period 2024 (1 January to 31 December).

The Group has not availed itself of the option to omit specific information corresponding to intellectual property, know-how or innovation results, nor of the exemption from disclosure of information governing upcoming developments or matters under negotiation, pursuant to Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

In compliance with the requirements of the new EU Corporate Sustainability Reporting Directive (CSRD) No. 2022/2464, the Ascopiave Group performed its first Double Materiality Assessment to identify the main impacts, risks and opportunities (hereinafter also referred to as "IRO") relevant to the sustainability of the Ascopiave Group. CSRD in fact introduced the concept of Double Materiality Assessment, whereby companies must provide information both on the impact of their activities on people and the environment, and on the ways in which sustainability issues may them in terms of financial effects (expression of financial structure).

In line with the relevant regulations, the contents of the Sustainability Report were prepared pursuant to the European Sustainability Reporting Standard (ESRS), drawn up by EFRAG and formally adopted by the European Commission with Delegated Regulation No. 2023/2772 of 31 July 2023.

For more details on the information required by the Standards and the Disclosure Requirement (DR) reported, please refer to the correlation table in the section "IRO 2 - Disclosure Requirements of the ESRS Subject of the Corporate Sustainability Report" of this chapter.

The document is prepared on a consolidated basis and the scope of the economic and financial data and information is the same as that of the Ascopiave Group Consolidated Financial Statements as at 31 December 2024.

In this regard, it should be noted that at the end of 2024, reorganisation operations of the Group were performed, specifically

- the companies AP Reti Gas Rovigo S.r.l., AP Reti Gas Vicenza S.p.A., AP Reti Gas Nord Est S.r.l. were merged by incorporation into AP Reti Gas S.p.A.;
- the companies Edigas Esercizio Distribuzione Gas S.p.A. and Serenissima Gas S.p.A. were merged into Romeo Gas S.p.A. and subsequently Romeo Gas S.p.A. changed its company name to AP Reti Gas Nord Ovest S.p.A.;
- Asco EG S.p.A. was merged by incorporation into Asco Renewables S.p.A. and subsequently Asco EG S.p.A. changed its company name to Asco Power S.p.A. The transactions became effective for statutory purposes as of 11.59 p.m. on 31 December 2024. The accounting and tax effects took effect on 1 January 2024

Furthermore, it should be noted that, effective as of 11.59 p.m. on 31 December 2024, the company Salinella Eolico S.r.l. changed its company name to Asco Wind & Solar S.r.l.

In order to ensure increasingly effective control over the upstream and downstream areas of the value chain, the mapping of the value chains of Group companies was started in 2024. The results of this analysis, illustrated in section "SBM-1 - Strategy, business model and value chain" of this chapter, were used to identify and assess the main impacts, risks and opportunities relevant from a value chain perspective.

The document is subject to a limited audit by the auditing firm KPMG. The audit is conducted pursuant to the procedures set out in the 'Report of the Independent Auditor', included in this document.

BP-2 - Disclosure in Relation to Specific Circumstances

As this is the first year in which it prepares the Sustainability Report and the average number of employees does not exceed 750, the Ascopiave Group adopts the transitional provisions pursuant to Appendix C of ESRS 1 and, therefore, with reference to the following disclosure requirements

- ESRS 2: SBM-3, para. 38(e) regarding the expected financial effects;
- ESRS E1: E1-6 for Scope 3 emissions; E1-9 Expected financial effects of significant physical and transition risks and potential climate-related opportunities;
- ESRS E5: E5-6 Expected financial effects of impacts, risks and opportunities related to resource use and the circular economy;
- ESRS S1: S1-7 Characteristics of non-employees in the enterprise's own workforce, S1-15 Work-life balance;
- ESRS S2: all disclosure requirements;
- ESRS S3: all disclosure requirements;
- ESRS S4: all disclosure requirements.

Having deemed certain sustainability issues covered by ESRS S2, ESRS S3 and ESRS S4 to be relevant, the Group has reported, in the respective paragraphs, what is required by paragraph 17 of disclosure requirement BP-2 of ESRS 2.

The sustainability issues (covered in these standards) that emerged as relevant consequent to the Double Materiality Assessment are then reported. In addition, for each relevant issue:

- the list of issues (theme, sub-theme and/or specific sub-issue) that have emerged as relevant is reported, describing how the business model and strategy take into account the Group's impact on these issues;
- when formally set - any targets, relating to sustainability issues and progress towards their achievement, are described, with clear deadlines;
- company policies on the same sustainability issues are briefly described;
- the actions taken to identify, monitor, prevent, mitigate, correct or terminate actual or potential adverse effects related to the issues in question, as well as the result of such actions, are briefly described;
- metrics relevant to the sustainability issues at hand are disclosed.

For the purpose of a fair representation of performance and to ensure the reliability of the data, the use of estimates has been limited as much as possible. These, where present, are appropriately reported in the document and based on the best available methodologies. Estimates are mainly present in Scope 1 emissions with reference to the calculation of fugitive emissions (see paragraph "Disclosure requirement E1-6 - Gross GHG emissions of Scope 1, 2, 3 and total GHG emissions" section "E1 - Climate Change" of Chapter 2 - General Information).

The Sustainability Report is prepared on an annual basis. This SR 2024 was approved by the Board of Directors of Ascopiave S.p.A. on 6 March 2025.

The SR is an integral part of the Report on Operations of the Ascopiave Group's Consolidated Financial Statements, published in the "Investor Relations" section of the Company's website www.gruppoascopiave.it.

Governance

GOV-1 - Role of Administrative, Management and Control Bodies

Ascopiave S.p.A. adopts a 'traditional' governance system, pursuant to Articles 2380-bis et seq. of the Italian Civil Code, characterised by the presence of the following corporate bodies:

- **Shareholders' Meeting** to which decisions on the supreme acts of governance of the Company are entrusted;
- **Board of Directors** entrusted with the management of the social enterprise with the attribution of operational powers to delegated bodies and individuals;
- **Board of Statutory Auditors** called upon to supervise compliance with the law and the Articles of Association and observance of the principles of proper administration, as well as to check the adequacy of the organisational structure, the internal control system and the administrative and accounting system of the Company.

The administration, management and control bodies of Ascopiave S.p.A. ensure the integrity of the company's conduct by adopting, updating and monitoring Model 231 and the Code of Ethics, as well as the "*Procedure for Handling Whistleblowing Reports of the Ascopiave Group*" (attachment 3 to the Model). The Board of Directors approves and updates Model 231 to ensure its compliance with current regulations and its adequacy to the corporate structure.

The Board of Directors appoints the Supervisory Board (hereinafter also referred to as the 'SB'), which reports directly to it. To strengthen coordination with the other control bodies, at present, the members of the Supervisory Board of Ascopiave S.p.A. include a member of the Board of Statutory Auditors. In addition, the Board of Directors approves the procedure for handling *whistleblowing*, delegating supervision to a Reporting Committee, which cooperates with the other control functions.

The company Ascopiave S.p.A. is audited by an auditing company - listed in the Register of Auditors - which is entrusted with the statutory audit service.

Furthermore, the Board of Directors of Ascopiave S.p.A. includes:

- **Remuneration Committee**, which has the task of assisting the Board of Directors, with investigative, proposal-making and advisory functions, in evaluations and decisions relating to the drafting of the remuneration policy;
- **Committee of Independent Directors**, which discusses issues of interest with respect to either the functioning, the activities of the Board of Directors, or the management of the company. It may also be involved in the process of defining corporate regulations;
- **Control and Risk Committee** that assists the Board of Directors with investigative, propositional and advisory functions in evaluations and decisions relating to the internal control and risk management system (hereinafter also referred to as 'SCIGR'), as well as in the approval of periodic financial and non-financial reports;
- **Lead Independent Director** who is the point of reference and coordination of the non-executive directors' requests and contributions.

The Company is also equipped with:

- **Sustainability Committee**, which has investigative, propositional and advisory functions in the Company's assessments and decisions on environmental, social and economic sustainability and energy transition;
- **Supervisory Body** which is appointed by each Group company to supervise the functioning, observance and adequacy of the respective Organisation, Management and Control Model pursuant to Legislative Decree 231/01 (Model 231), in order to prevent offences relevant for the purposes of that decree;
- **Whistleblowing Committee** to which the management of whistleblowing reports has been assigned, pursuant to the "Ascopiave Group *Whistleblowing* Management Procedure".

The table below shows the composition of the Board of Directors in office at the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2024.

Board of Directors - members as at 31.12.2024		**Executive assignments**	**Other assignments**
Nicola Cecconato	Chairman, Chief Executive Officer and General Manager	Executive	
Cristian Novello	Independent Director	Non-executive	Chairman of the Audit and Risk Committee Member of the Remuneration Committee
Greta Pietrobon	Director	Non-executive	Chairman of the Sustainability Committee Member of the Remuneration Committee
Enrico Quarello	Director	Non-executive	Member of the Sustainability Committee
Luisa Vecchiato	Independent Director	Non-executive	Chairman of the Remuneration Committee Member of the Audit and Risk Committee
Federica Monti	Independent Director	Non-executive	Member of the Audit and Risk Committee Member of the Sustainability Committee
Giovanni Zoppas	Independent Director*	Non-executive	
Board of Statutory Auditors - members as at 31.12.2024			
Giovanni Salvaggio	Chairman		
Luca Biancolin	Standing Auditor		
Barbara Moro	Standing Auditor		
Matteo Cipriano	Alternate Auditor		
Marco Bosco	Alternate Auditor		

***** Mr. Giovanni Zoppas was appointed **Lead Independent Director** by the Board of Directors on 11 May 2023.

Within the Board of Directors, the only member with executive duties is the Chairman and Chief Executive Officer. The same, as of 28 January 2021, has also been qualified as Chief Executive Officer (hereinafter also "CEO") of Ascopiave S.p.A., also pursuant to the Corporate Governance Code. In the board meeting of 11 November 2021, as 1 January 2022, the CEO was also assigned the role of director in charge of establishing and maintaining the internal control and risk management system, pursuant to the CG Code of Borsa Italiana S.p.A.. This role was then confirmed on 11 May 2023 by the current Board of Directors

The Chairman and Chief Executive Officer from 1 January 2022 also holds the position of General Manager of Ascopiave S.p.A.

Members of the Board of Directors in Executive Positions			
	Executives	**Non-executive**	**Total**
No.	1	6	7
%	14.3%	85.7%	100%

The Board of Directors of Ascopiave S.p.A. is composed of four independent directors.

On 11 May 2023, the Board of Directors appointed Giovanni Zoppas Lead Independent Director of Ascopiave S.p.A.

Members of the Board of Directors Indipendent			
	Executives	**Non-executive**	**Total**
No.	4	3	7
%	57.14%	42.86%	100%

Ascopiave's governance model does not provide for the presence of employees and employee representatives the Board of Directors.

The Board of Directors is composed of 4 men and 3 women, with an age distribution that sees around 43% of the directors in the 30-50 age bracket and 57% over 50. Below are the relevant tables for more detail.

Members of the Board of Directors			
Gender	**Men**	**Women**	**Total**
No.	4	3	7
%	57.14%	42.86%	100%
Average male-female ratio	1.33		

Members of the Board of Directors				
Age group	**<30**	**30-50**	**>50**	**Total**
No.	0	3	4	7
%	0%	42.86%	57.14%	100%

There are two men and one woman on the Board of Auditors. 33% of the members are aged between 30 and 50, while the remaining 67% are over 50. Below are the relevant tables.

Members of the Board of Auditors			
Gender	**Men**	**Women**	**Total**
No.	2	1	3
%	66.67%	33.33%	100%
Average male-female ratio	2		

Members of the Board of Auditors				
Age group	**<30**	**30-50**	**>50**	**Total**
No.	0	1	2	3
%	0%	33.33%	66.67%	100%

The members of the Board of Directors and the Board of Statutory Auditors have extensive experience in the sectors, products and geographic areas in which the Group operates, contributing diverse expertise to the governance of the Company

Their profile is presented below. It should be noted that some members of the Board of Directors have obtained a first-level university master's degree in "*Risk Management*, Internal Audit & Fraud" at Ca' Foscari University in Venice, thus enhancing their strategic and operational skills in the area of risk management and internal control.

Experience in the fields, products and geographic areas of the Board of Directors	
Director	**Background**
Nicola Cecconato	Dr. Cecconato graduated in economics and commerce from Ca' Foscari University of Venice in 1991. He is enrolled in the Order of Chartered Accountants and Accounting Experts of Treviso, in the Guild of Legal Auditors, in the Guild of Consultants and Experts at the Court of Treviso and in the College of Economists of Barcelona (Spain). He has been practising as a Chartered Accountant since 1994. Dr. Cecconato has accrued extensive experience as Chairman and Director of public and private companies, including financial and credit companies, as a member of Boards of Statutory Auditors, Legal Auditor, Bankruptcy Curator, Judicial Commissioner and tax and corporate advisor in several public and private companies. Of particular note is the experience accrued in M&A transactions and extraordinary operations in the reorganisation of corporate groups. Dr. Cecconato also deals with national and international tax and corporate consulting and company valuation. Chairman and Chief Executive Officer of Ascopiave S.p.A. since 2017 and Chief Executive Officer pursuant to the Corporate Governance Code since 2021. On 11 November 2021, the Board of Directors, upon the proposal of the Remuneration Committee and subject to the favourable opinion of the same Committee also acting as Committee for Related Party Transactions, appointed Dr. Nicola Cecconato, the Chairman and Chief Executive Officer, also as the General Manager of Ascopiave, effective as of 1 January 2022.
Cristian Novello	Dr. Novello graduated in law from the University of Padua in 2007. He has worked as an independent lawyer until 2015 and has held several Directorships in corporations. To date, Mr. Novello is the Director of the Administrative and Legal Area of Veneto Acque S.p.A. Since 2020, Dr. Novello has been a member of the Board of Directors of Ascopiave S.p.A., where he has served as Chairman of the Control and Risk Committee and member of the Remuneration Committee.
Greta Pietrobon	Ms. Pietrobon obtained her law degree from the University of Padua in 2009 and is currently a member of the Treviso Bar Association. A professional in the fields of civil law, data protection and corporate contract law and also holds the position as Director in several corporations. Since 2014 to date, Ms. Pietrobon has been a member of the Board of Directors of Ascopiave S.p.A., where she serves as Chairman of the Sustainability Committee and member of the Remuneration Committee. Ms. Pietrobon obtained a first-level Master's degree in Risk Management, Internal Audit & Fraud at the Cà Foscari University of Venice in 2022.
Enrico Quarello	Mr. Quarello has held several management and coordination positions in International Cooperation programmes, especially in the Balkan area. He has founded and directed several cooperatives operating in the production/commercial and social sectors. In addition to his experience as a Director in the companies of the Ascopiave Group, he has accrued experience as a Director in several companies (Coop Adriatica, Robintur, Editrice Consumatori FairTrade). He was Head of Territorial Relations and Activities at COOP Adriatica. Today Mr. Quarello is the Director of CSR, Communication, Public Relations Member of COOP Alleanza 3.0. Since 2012, Mr. Quarello has been a Director at Ascopiave S.p.A., where he is a Member of the Sustainability Committee.
Luisa Vecchiato	Ms. Vecchiato graduated in business administration from the Ca' Foscari University of Venice in 1994. She is a member of the Order of Chartered Accountants of Treviso and of the Guild of Auditors. Ms. Vecchiato practises as a chartered accountant and auditor, owns a professional firm and deals with tax and corporate consulting. She acts as an administrator in a number of corporations; she was also a member of the Board of Liquidators of the Consorzio Portuario di Treviso from 2003 to 2014, and acted as a bankruptcy receiver at the Court of Treviso. Since 2020, Ms. Vecchiato has been a member of the Board of Directors of Ascopiave S.p.A. Ms. Vecchiato also holds the position of Chairman of the Remuneration Committee and member of the Control and Risk Committee of Ascopiave S.p.A. Ms. Vecchiato obtained a first-level Master's degree in Risk Management, Internal Audit & Fraud at the Cà Foscari University of Venice in 2022.

Experience in the fields, products and geographic areas of the Board of Directors	
Director	**Background**
Federica Monti	Ms. Monti graduated in business administration in 1997 from the Cà Foscari University in Venice and has been a chartered accountant and auditor since September 2002. Since April 2005, Ms. Monti has been working as a freelance professional at Bampo Commercialisti in Belluno, initially as a studio collaborator and since 2007 as a partner. Ms. Monti has accrued experience in corporate and tax consultancy and in extraordinary transactions. She provides consultancy services in accounting, tax and corporate matters to small and medium-sized companies in the provinces of Belluno, Treviso and Venice. Ms. Monti is a statutory auditor for companies located in the provinces of Belluno, Treviso, Venice and Bolzano; and also a member of boards of statutory auditors. Ms. Monti holds the position of Managing Director, and is a shareholder of the companies Dale Services S.r.l., Auronzo d'Inverno S.r.l. and Finras S.r.l. Since February 2022, Ms. Monti has been the Chairman of the Council of Chartered Accountants and Accounting Experts of the Province of Belluno. Since April 2023, Ms. Monti has been a Director of Ascopiave S.p.A., where she is also a member of the Sustainability Committee and the Control and Risk Committee.
Giovanni Zoppas	Mr. Zoppas graduated in Political Economics from the Bocconi University in Milan. He began his professional career in 1984 at Andersen Consulting. Mr. Zoppas subsequently held several positions in the Benetton Group from 1993 to 2000, until he reached the position of Group Administration and Control Director. After a stint as CFO in the pharmaceutical company Glaxosmithkline, Mr. Zoppas became the General Manager of Nordica S.p.A. in 2003 until 2006. In 2006, Mr. Zoppas joined Gruppo Coin as CFO and COO; in the same group, he then held the positions of CFO and General Manager of the Coin and Upim divisions as a member of the Board of Directors. In January 2012, Mr. Zoppas joined the Marcolin Group where he served as CEO and Group General Manager. In October 2017, Mr. Zoppas was appointed CEO of Thélios S.p.A. (a LVMH and Marcolin Group Joint-Venture). Since 2021, Mr. Zoppas has been the CEO of Tecnica Group S.p.A. Since April 2023, Mr. Zoppas has been a member of the Board of Directors of Ascopiave S.p.A. He was appointed Lead independent Director by the Board of Directors on 11 May 2023.

Experience in the fields, products and geographic areas of the Board of Statutory Auditors	
Auditor	**Background**
Giovanni Salvaggio	Mr. Salvaggio holds a degree in business economics from Ca' Foscari University in Venice; he is a member of the Order of Chartered Accountants and Accounting Experts of the province of Rovigo and has been a registered auditor since 2000. Mr. Salvaggio has been the Chairman of the Board of Directors and member of the Board of Statutory Auditors of several public and private companies, most notably Asm Rovigo S.p.A. Mr. Salvaggio is an adjunct professor of Tax Law at the University of Ferrara and a frequent speaker at professional conferences
Luca Biancolin	Mr. Biancolin graduated in Political Science with a focus on international politics from the University of Padua in 1984. He is enrolled in the Order of Chartered Accountants and Accounting Experts of Treviso, in the Guild of Legal Auditors, in the Register of Technical Consultants of the Court of Treviso - Commercial Category. Mr. Biancolin has held several professional positions as auditor, director and liquidator of corporations. He has performed auditing activities at local and instrumental bodies, consortia, cooperatives, other public, private or publicly owned organisations and companies. He is currently a member of the Board of Statutory Auditors and the Supervisory Board of several companies of the Ascopiave Group and a Standing Auditor of Ascopiave S.p.A. since 2014. As a member of the Board of Statutory Auditors, Mr. Biancolin accrued expertise in sustainability through his experience at Ascopiave, with a specific focus on supervisory activities governing Non-Financial Statements. Mr. Biancolin is also a statutory auditor of AP Reti Gas S.p.A., Acantho S.p.A. and Chairman of the Board of Statutory Auditors of EstEnergy S.p.A.
Barbara Moro	Ms. Moro graduated in economics and commerce, specialising in law and taxation, from Ca' Foscari University in Venice in 2001. She is a member of the Order of Chartered Accountants of Treviso and of the Guild of Auditors. Ms. Moro has many years of professional experience in the field of taxation, insolvency proceedings and real estate enforcement procedures. She is currently a member of several boards of auditors in corporations and cooperatives. Since 2020, Ms. Moro has been a statutory auditor of Ascopiave S.p.A, where she has accrued expertise in sustainability through supervision operations governing Non-Financial Statements. Ms. Moro is also a Standing Auditor of AP Reti Gas Nord Ovest S.p.A.

The Ascopiave Group has placed the pursuit of the objective of "sustainable success" at the heart of its corporate culture and *corporate governance* system. On 15 January 2021 the Board of Directors of Ascopiave S.p.A. adopted the new *Corporate Governance* Code for listed companies, in the updated version approved by the Corporate Governance Committee promoted by Borsa Italiana S.p.A. Principle I of the *Corporate Governance* Code promotes the concept of 'sustainable success', orienting corporate *governance* towards a balance between economic *performance* and social and environmental responsibility.

The Ascopiave Board of Directors has adopted the "Guidelines for the pursuit of sustainable success" (hereinafter also referred to as the "Guidelines"), updated by the Ascopiave Board of Directors on 13 December 2024, at the proposal of the Sustainability Committee. These guidelines integrate the pursuit of the objective of sustainable success into the *business* processes, the Group's business plan and the *performance targets* on remuneration. The document is inspired by the "Sustainable Development Goals" (hereinafter also referred to as "SDGs"), i.e. the goals for sustainable development set forth in the United Nations 2030 Agenda. The sustainability path undertaken by Ascopiave is based on the SDGs connected on the one hand to its own *business* activities (SDGs 6, 7, 8, and 9) and on the other to the impact and effects that the Group exerts on the territories in which it operates (SDGs 10, 11, 12 and 13). The Guidelines can be understood as a Group sustainability guideline that sets out the Group's values on *environmental, social and* *governance* (hereinafter also referred to as 'ESG'). The Board of Directors approved and updates the strategic plan following the guidelines contained in the Guidelines.

These Guidelines are also a support for the evaluation by the Control and Risk Committee, in coordination with the Sustainability Committee, of the suitability of periodic financial and non-financial reporting to correctly represent the company's *business* model, strategies, the impact of its activities and the *performance* achieved.

The oversight of sustainability issues and the guidance of the Group towards the goal of sustainable success are assigned to the Board of Directors which, supported by the Sustainability Committee with specific expertise in 'ESG', defines the strategic guidelines on sustainability and analyses issues relevant to the generation of long-term value, including the oversight of the identification and assessment of impacts, risks and opportunities related to sustainability issues, as part of the Double Materiality Assessment, which is the preliminary step to the drafting of the Consolidated Sustainability Statement.

The members of the Sustainability Committee are identified in the table illustrating the composition of the Board of Directors, which can be found in this Governance section.

The Sustainability Committee, with regard to the analysis of impacts, risks and opportunities, inherent in the Double Materiality *Assessment*, also coordinates with the Risk and Control Committee.

As far as responsibilities for impacts, risks and opportunities are concerned, these are expressly defined in the '*Procedure for the preparation of the Consolidated Sustainability Statement of the Ascopiave Group*', approved by the Board of Directors on 13 December 2024, after obtaining the favourable opinion of the Sustainability Committee. By virtue of said Procedure, the Board of Directors is called upon to approve the results of the Double Materiality *Assessment*, which is a preliminary step to the preparation of the Consolidated Sustainability Statement, subject to review by the Sustainability Committee and reporting to the Control and Risk Committee."

Among its responsibilities, the Sustainability Committee also has the role of supporting the Board of Directors in assessing the social, environmental and economic impacts of the Company's activities and coordinating activities with the Control and Risk Committee in drawing up annual and multi-year sustainability goals to be achieved with specific reference to the management of related medium- and long-term risks, pertaining to the Company and its subsidiaries.

In 2022, the Sustainability Function was established, whose responsibility is assigned to the Legal and Corporate Affairs Department of Ascopiave S.p.A., which reports organisationally to the Chairman, Chief Executive Officer and General Manager of Ascopiave S.p.A.

The same department, in coordination with the *Chief Financial Officer,* is also entrusted with the management of the Ascopiave Group's Sustainability Reporting process, which includes, among other things, responsibility for the process, controls and *governance* procedures used to monitor, manage and control the identification and assessment of impacts, risks and opportunities (IRO), inherent in the Double Materiality *Assessment* phase.

Ascopiave S.p.A. has then implemented an internal control and risk management system, with responsibilities defined among the various bodies and individuals involved, in line with the principles and recommendations of the *Corporate Governance* Code, as well as applicable regulations. The various players in the internal control and risk management system share the results of their control activities on a half-yearly basis by coordinating and exchanging their respective information flows.

In line with the recommendations of the *Corporate Governance* Code, the CEO is assigned the following main responsibilities in relation to the internal control and risk management system:

- establishment and maintenance of the internal control and risk management system;
- Identification of the main corporate risks and their periodic presentation to the Board of Directors;
- implementation of the guidelines defined by the Board of Directors governing the internal control and risk management system, taking care of its design, implementation and management, and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legal framework.

As part of the Double Materiality Assessment process, the stakeholder engagement, performed in December 2024, subsequent to the validation of the so-called long-list of impact risks and opportunities by the CEO, was only started for impact structure. It should also be noted that for financial structure, it was decided for this first year of reporting not to proceed with external stakeholder engagement, but to address employees

In addition, in application of the "Procedure for the preparation of In addition, in application of the "Procedure for the preparation of consolidated sustainability reporting of the Ascopiave Group", of the Ascopiave Group", on 20 February 2025 the Board of Directors, after examination by the Sustainability Committee and after informing the Control and Risk Committee, approved the final version of the Double Materiality Assessment, ensuring a progressive strategic alignment with corporate goals and an effective integration of IRO issues in decision-making processes. For more details, please refer to the section 'GOV-3 - Integration of sustainability performance in incentive systems', of this chapter.

In line with the provisions of the Corporate Governance Code, Ascopiave's Board of Directors, with the support of the Control and Risk Committee, evaluates, at least once a year, the adequacy and effectiveness of the SCIGR with respect to the characteristics of the company and the risk profile assumed. As part of its support to the Board of Directors, the Control and Risk Committee reports to the Board of Directors every six months on the operations performed as well as on the adequacy of the SCIGR. In addition, again on the subject of the adequacy of the SCIGR, the CEO reports annually to the Control and Risk Committee and the Board of Directors on its work, providing information on the examination of the so-called *long list* that emerged from the IRO analysis performed during the Double Materiality Assessment.

Finally, the CEO periodically monitors the implementation of the business plan and management performance, comparing the results achieved with those planned.

Ascopiave established the Risk Manager as of October 2022. On 29 February 2024, the Board of Directors of Ascopiave S.p.A. approved the “Enterprise Risk Management Policy", subject to the favourable opinion of the Control and Risk Committee of Ascopiave S.p.A., in order to operationally decline the internal control and risk management system, with reference to the *Enterprise Risk Management* process (hereinafter also "ERM"), so as to support both the detection of the overall corporate risk profile and the identification of strategies and activities for managing individual risks

The *Risk Manager*, as the person in charge of the ERM process, assesses and, if necessary, proposes an update of the 'Risk Model', coordinating with the CEO as part of the six-monthly *risk assessment* activity, if necessary, also incorporating new risks governing sustainability issues, which he or she may have identified.

Lastly, the Board of Statutory Auditors, within the framework of the performance of the functions assigned to it by the regulations, monitors compliance with the provisions set forth in Legislative Decree No. 125/2024 and reports on it in its annual report to the Shareholders' Meeting.

With particular regard to the way in which the Board of Directors monitors the definition of goals related to relevant impacts, risks and opportunities, and the progress made in achieving them, the Board of Directors of Ascopiave S.p.A. is responsible for defining annual and multi-year sustainability goals, with specific reference to the management of correlated medium- and long-term risks, in coordination with the Control and Risk Committee. The Board avails itself of the support of the Sustainability Committee to integrate the pursuit of the objective of sustainable success in the business processes, in the Group's industrial plan and in the performance targets governing remuneration.

Governance bodies ensure the availability and development of the necessary expertise to manage sustainability issues through an integrated approach.

In 2024, the members of the Board of Directors benefited from a specific training session on the new regulatory obligations introduced by the CSRD, to ensure that their skills were updated in line with regulatory requirements.

The powers held by the Board of Directors, supplemented by the support of the Sustainability Committee, are aligned with the impacts, risks and opportunities relevant to the company. In particular, the “Rules of Procedure of the Board of Directors, the Lead Independent Director and the Governance Committees” stipulate that the Sustainability Committee coordinates its activities with the Control and Risk Committee in order to elaborate annual and multi-year sustainability goals, with a *focus on* medium- and long-term risks. This synergy ensures that the available capacities are adequate to proactively identify and manage the most relevant ESG issues for the Company and its stakeholders.

This approach the Board of Directors with the necessary tools and knowledge to effectively address sustainability challenges, ensuring regulatory compliance and the pursuit of the company's strategic goals.

The Board of Statutory Auditors, in turn, has developed expertise in the area of sustainability as part of its experience in supervising the previous Non-Financial Statement.

GOV 2 - Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them

Annually, the Sustainability Department, in coordination with the Chief Financial Officer, initiates the preliminary activities for the drafting of the Sustainability Report, including the verification and possible updating of the Double Materiality *Assessment*.

It should be noted that following the Double Materiality Assessment, the results are presented to the Board of Directors for approval, after review by the Sustainability Committee and reporting to the Control and Risk Committee. Within the scope of its competences, the Sustainability Committee examines the results of activities aimed at implementing Double Materiality Assessment in the structure analysis process already initiated by the Group, with the aim of improving the management of the main ESG impacts, risks and opportunities (IRO[3]).

The Sustainability Committee assists the Board of Directors by drawing up and proposing to the Board of Directors a guideline that integrates the pursuit of the objective of sustainable success into the *business* processes, the Group's industrial plan and the *performance targets* on remuneration in order to pursue the objective of sustainable success of the Company; these principles are shared with the Risk Control Committee to support the latter's assessment of the suitability of periodic financial and non-financial reporting to correctly represent the business model, the Company's strategies, the impact of its activities and the performance achieved.

The directors on the Sustainability Committee have gained experience in ESG matters, on the assumption that the expertise of the administration, management and control bodies is essential to effectively integrate ESG issues into corporate strategy, ensuring responsible and sustainable management of impacts, risks and opportunities.

The strategic plan is approved by the Board of Directors taking into account the aforementioned ESG guidelines.

The same Board periodically monitors the implementation of the business plan and evaluates the general management performance, periodically comparing the results achieved with those planned.

With regard to the internal control and risk management system, the Board of Directors of Ascopiave S.p.A. has defined guidelines in order to contribute to the sustainable success of the Company, in line with the Company's strategies. Corporate risk management creates and protects value for the Ascopiave Group, contributing significantly to the achievement of the strategic goals established in the strategic plan and to the improvement of performance, integrating the sustainability of business activities into the definition of corporate strategies.

As mentioned above, the CEO reports annually to the Control and Risk Committee and the Board of Directors on his work, including reporting on the review of the so-called *long list* emerging from the IRO analysis performed as part of the Double Materiality Assessment, as well as on the adequacy of the internal control and risk management system.

GOV-3 - Integrating sustainability performance into incentive schemes

The Ascopiave Group promotes people management and motivation through incentive and development policies and tools. Currently, 8.5 per cent of personnel are included in a performance appraisal system.

The Ascopiave Group has implemented a target-based incentive system (so-called MBO), which is a remuneration mechanism that links the payment of a variable bonus to the achievement of annual company and individual targets.

The system, which concerns management positions and is subject to approval by the Board of Directors, aims to consolidate the commitment of the entire organisation to strategic lines and to promote individual development, enhancing the responsibility and growth of all personnel, according to objective and fair metrics. The portion of variable

[3] *The impacts, risks and opportunities considered by the management and control bodies in the reporting period correspond to those identified in the long list prior to the Double Materiality Assessment. For a detailed analysis, please refer to paragraph "SBM-3 - Significant Impacts, Risks and Opportunities and their Interaction with the Strategy and Business Model" in Chapter 1 - General Information.*

remuneration that depends on environmental goals varies among the Group's management roles from 3.75% to 5.63%. These targets, in line with the previous edition, were included within the new long-term incentive plans for the three-year period 2024-2026, approved in 2024, for executive directors and management personnel. These include the 'LTI 2024-2026' share-based incentive plan and the 'LTI-GI 2024-2026' monetary incentive plan, both based on performance indicators and the Group's performance. The objective is to incentivise and retain key personnel, recognising their contribution to the company's growth. The plans provide for the awarding of a bonus linked to the Group's performance over the three-year period 2024-2026 (vesting period), measured through Group EBITDA and Consolidated Net Profit. In line with the sustainability goals of the 2024-2027 Strategic Plan, 7.5% of the vested award will be deferred by one year and conditioned on the achievement of the 2027 CO_2 emissions reduction target, pursuant to the regulations of the respective plans

The adoption of 'Long Term Incentive' plans aims to integrate sustainability and stakeholder value creation within the variable incentive system, linking individual performance to the Group's strategic goals and ESG standards. Sustainability metrics are thus an integral part of remuneration policies, strengthening the link between corporate performance and environmental impact.

Remuneration policies are drawn up and approved by the Board of Directors, assisted by the Remuneration Committee and the Sustainability Committee, which define the strategies and goals and monitor the application of the policy.

GOV-4 - Due Diligence Statement

Ascopiave integrates sustainability-related due diligence into its business model through various mechanisms and processes, including:

a) Integration of diligence into governance, strategy and business model: the company integrates sustainability into its corporate structure through the Board of Directors, which defines sustainability guidelines, supported by the Sustainability Committee. The Sustainability Committee has the task of assisting the Board of Directors in the company's sustainability assessments and decisions. Ascopiave aims to integrate sustainable success into business processes and strategic planning, pursuing legality, competition and efficiency. The Company is committed to guaranteeing neutrality in the management of energy infrastructures and to preventing discrimination in access to information. Sustainability is a central element of the *business* model, with a focus on ethics and integrity. Ascopiave considers sustainable success a primary objective of its business strategies, capable of generating long-term value for all *stakeholders*.

b) Involvement of stakeholders at all key stages of due diligence: Ascopiave maintains an open and constant dialogue with its *stakeholders*, including shareholders, investors, the media and trade associations. The company has adopted a policy for managing dialogue with shareholders and other stakeholders. The Chairman and CEO is responsible for managing dialogue with shareholders and the company is committed to mapping and engaging stakeholders in the preparation of the Sustainability Report. Ascopiave assesses dialogue requests and provides clarification on stakeholder initiatives, taking into account the best interest of the company.

c) Identification and assessment of IROs: in line with CSRD requirements, Ascopiave performed Double Materiality *Assessment* to identify the impacts of its activities on the environment and people and how sustainability issues affect the company in financial terms. The Sustainability Committee supports the Board of Directors in assessing social, environmental and economic impacts, including those in the area of gas distribution and energy transition. In addition, through the analysis of financial structure, the company identifies the main business risks, both generated and incurred, and adopts an internal control and risk management system to monitor them, which also includes the assessment of sustainability risks.

d) Taking action to deal with negative impacts: Ascopiave has implemented several policies and procedures for responsible management, including the Organisational Model 231 pursuant to Legislative Decree No. 231/2001 for the prevention of offences, the Code of Ethics and procedures for the management of privileged information and transactions with related parties. The Company has defined procedures for managing financial resources to prevent offences and has appointed a Supervisory Board to monitor the effectiveness of the organisational model. Ascopiave has also implemented a disciplinary system to sanction non-compliance with the measures indicated in the 231

Organisational Model and in the Code of Ethics of the Ascopiave Group. Supply contracts include special clauses to ensure that suppliers respect the principles of confidentiality and the purposes of functional separation.

e) Monitoring and communicating the effectiveness of actions: Ascopiave prepares Sustainability Reporting to communicate the impacts of activities, industrial developments and commitment to employees and the territory. The Group has a *reporting* procedure to ensure the adoption of standardised methods for reporting and the implementation of an adequate internal control system. The Company communicates transparently and fairly with *stakeholders* and is committed to keeping up to date with regulatory changes. Ascopiave has also implemented a *whistleblowing* procedure to manage reports of violations, guaranteeing the protection of whistleblowers and managed by the Reporting Committee. The Company guarantees the confidentiality of personal data in the whistleblowing management process. The relevant procedure has been subject to data protection impact assessments (DPIA).

The table below maps the information on the due diligence stated in the chapters of this document.

<table>
<tr><th colspan="3">Mapping the fundamental elements of the duty of care</th></tr>
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<tr><td rowspan="3">a) Integration of Due Diligence into governance, strategy and business model</td><td>ESRS 2 GOV-2</td><td>Chapter 1 General Information, Governance</td></tr>
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<tr><td>ESRS</td><td>Sub-section "Managing Impacts, Risks and Opportunities" of the following Sections:
S1 - Own workforce
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<tr><td rowspan="2">c) Identification and evaluation of IROs</td><td>ESRS 2 IRO-1 (including application requirements relating to specific sustainability issues in the relevant ESRS)</td><td>Chapter 1 General Information, Managing Impacts, Risks and Opportunities</td></tr>
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<tr><td rowspan="2">d) Interventions to address negative impacts</td><td>ESRS 2 MDR -A</td><td>See ESRS</td></tr>
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<tr><td>ESRS: regarding metrics and targets.</td><td>Metrics and Targets" sub-section of the following Sections:
E1 - Climate Change
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G1 - Conduct of Businesses</td></tr>
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GOV-5 - Risk Management and Internal Controls over Sustainability Reporting

The Sustainability Reporting process is governed by the '*Procedure for the preparation of the Consolidated Sustainability Statement of the Ascopiave Group*' (hereinafter also referred to as the 'Procedure'), approved by the Board of Directors on 13 December 2024, after obtaining the favourable opinion of the Sustainability Committee. The Procedure describes the activities, timeframes, roles and responsibilities of the parties involved in the process of planning, collecting and controlling sustainability data and information for the preparation of the Sustainability Report, as well as the related approval and verification by the persons/bodies appointed.

Ascopiave's internal control and risk management system, in relation to Sustainability Reporting, is a structured and integrated process that aims to ensure the reliability and transparency of non-financial information, pursuant to the principles of the *Corporate Governance* Code and best *practices*. The system is aimed at the pursuit of sustainable success, the safeguarding of corporate assets, the efficiency of corporate processes, the reliability of information provided to corporate bodies and *stakeholders*, and compliance with regulations. Sustainability Reporting is subject to internal controls to ensure the completeness and accuracy of information.

In compliance with the provisions of Article 154-bis, paragraph 5-ter of the Consolidated Law on Financial Intermediation, introduced by Article 12 of Legislative Decree No. 125/2024, the Chief Executive Officer and the Financial Reporting Manager (hereinafter also referred to as the 'Financial Reporting Manager'), as of the approval of the financial statements as of 31 December 2024, shall certify, with a specific report, that the sustainability reporting included in the report on operations has been prepared pursuant to the reporting standards set forth in the relevant regulations. In particular, the Executive in Charge of Preparation of the Sustainability Report, for the purposes of the relevant certification, with the support of the Compliance Function in cooperation with the Sustainability Function, as well as in coordination with the Head of Internal Auditing, prepared the new Procedure for the preparation of the Sustainability Report consolidated by the Ascopiave Group, in order to describe the activities, control measures and related managers involved in the process of preparing the Sustainability Report to be drawn up pursuant to Legislative Decree No. 125/2024.

It should be noted that the 'Procedure for the Preparation of the Ascopiave Group's Consolidated Sustainability Statement' is integrated into the *testing* operations performed for the purposes of *compliance* pursuant to Law No. 262/2005, identifying risks, control measures, *control owners*, and evidence of controls.

In addition to the controls performed by the heads of the corporate structures involved in the preparation of the Consolidated Sustainability Statement, second-level controls are performed by the Compliance Function, in coordination with the Head of Internal Auditing. These controls support the issuance of the attestation on the Sustainability Report by the Responsible Manager, pursuant to the provisions of Article 154-bis, paragraph 5-ter of the Consolidated Law on Finance, introduced by Article 12 of Legislative Decree No. 125/2024.

The periodic reporting of the results of the risk integration and internal control process is ensured by means of periodic information flows, periodic reports, as well as by coordination operations performed by the administrative, management and control bodies, the Governance committees and all other actors of the internal control and risk management system.

After review by the Sustainability Committee and reporting to the Audit and Risk Committee, the Board of Directors approves the Double Materiality *Assessment*, which includes the list of material sustainability issues, as well as the Sustainability Report. The Board of Directors then periodically monitors the implementation of the strategic plan and the evaluation of the general management performance, comparing the results achieved with those planned. Furthermore, the Board assesses the adequacy of the internal control and risk management system, with the support of the Control and Risk Committee. It also defines the Guidelines for the pursuit of sustainable success, with the support of the Sustainability Committee.

The Board of Statutory Auditors also monitors compliance with the provisions of Legislative Decree No. 125/2024 and reports to the Shareholders' Meeting on the supervisory operations performed, exchanging information relevant to the performance of their respective duties with the Control and Risk Committee on a timely basis, being invited to participate in the Committee's work and receiving the reports prepared by the Head of the *Internal Audit* Function.

The Head of *Internal Audit* verifies the effectiveness and suitability of the internal control and risk management system through a dedicated *audit* plan. He prepares periodic six-monthly reports on the operations performed, on risk management and on the suitability of the internal control system, which are forwarded to the Chairmen of the Board of Statutory Auditors, the Control and Risk Committee, the Board of Directors and the *Chief Executive Officer*.

Finally, the Executive in Charge of *Financial Reporting*, a role currently covered by the *Chief Financial Officer*, in coordination with the Sustainability Function, assesses Sustainability Reporting issues through the Double Materiality *Assessment*, as well as periodically verifies, with the support of the *Compliance* Function, in coordination with the head of the *Internal Audit* Function, the effectiveness of the Group's administrative-accounting procedures pursuant to Law 262/2005, including the verification of the effectiveness of the sustainability reporting control procedure integrated in *compliance* pursuant to Law 262/2005, by carrying out a recurring assessment on the application of key controls.

The Manager in charge reports to the Control and Risk Committee and the Board of Directors on the results of the above-mentioned audits. The Head of the *Internal Audit* Department verifies the effectiveness and suitability of the internal control and risk management system through a dedicated *audit* plan and prepares periodic six-monthly reports on the operations performed, risk management and suitability of the internal control system, which are forwarded to the Chairman of the Board of Directors and *Chief Executive Officer*, the Chairman of the Board of Statutory Auditors and the Chairman of the Control and Risk Committee.

The methodological approach adopted for risk assessment is also integrated into the system adopted in compliance with Law 262/2005. The Company integrates the results of risk assessment and internal controls into the Sustainability Reporting process through the implementation of dedicated controls and procedures, ensuring the involvement of the relevant corporate functions and alignment with the internal control and risk management system.

In particular, the Financial Reporting Manager is supported by the *Compliance* Function in collaboration with the Sustainability Function, as well as in coordination with the Head of *Internal Auditing*, in the preliminary assessment of the risks related to the Sustainability Report preparation process in order to prepare a specific control procedure, integrated into the *compliance* pursuant to Law 262/2005, on the Sustainability Report preparation process. The results of internal controls with regard to this procedure are shared by the Manager in charge with the Control and Risk Committee and the Board of Directors during their respective meetings in which they are called upon to express their opinion on the assessment of the internal control and risk management system. In addition, the results of the controls performed are shared with the *data owners of* the process, in order to identify any points for improvement.

Each control is evaluated according to its significance with respect to the Sustainability Reporting process, and certain controls, considered most relevant for risk prevention, are classified as *key controls*.

The main risks identified in the process of preparing the Consolidated Sustainability Statement include the incorrect definition of the reporting boundary, delays in identifying Data Owners and collecting information, failure to synchronise the closing calendar with corporate deadlines, inconsistencies in the structure analysis boundary compared to the Group's boundary, failure to update operating procedures, incompleteness of qualitative and quantitative requests to Data Owners, poor traceability of data sources, errors in the consolidation of the draft SR and failure to approve the SR by the corporate bodies and failure to issue the reports of the Board of Statutory Auditors and the auditing firm. To guard against these risks, as mentioned above, a specific control procedure integrated into the compliance ex. L. 262/2005.

The main risk mitigation strategy relates to the use of a special computer application for data collection to ensure structured and efficient management of information, ensuring the monitoring and traceability of the entire process. For each identified risk, specific control procedures have been defined to guarantee the completeness, accuracy and traceability of information, ensuring compliance with current regulations and the reliability of the reporting process.

Strategy

SBM-1 - Strategy, Business Model and Value Chain

The Ascopiave Group mainly operates in the natural gas distribution sector, for which it generates total revenues of Euro 166,303 thousand. The distribution business also includes activities such as the measurement of gas supplied to end customers; the activation, deactivation and reactivation of the supply; the verification of measuring and pressure groups at the request of the end customer; the execution of simple and complex works (creation of user connections and construction of new distribution networks; gas odorization; the scheduled inspection of the network; the maintenance and running of plants and the management of emergency services. The group also operates in other sectors related to its core business, such as, energy production from renewable sources, through the management of hydroelectric and wind power plants, cogeneration and heat management. The group is also operating in the water sector, being a shareholder and technological partner of the company Cogeide, which manages the integrated water service in 15 municipalities.

These activities related to the water business also include:

- the design and construction of works and facilities required for network services;
- design, installation, maintenance, development, connection, operation, supply and sale activities for network services, which also include ancillary services.

Group companies focus on providing quality services at competitive economic conditions to meet the needs and expectations of all stakeholders.

Significant customer groups and/or markets for the Ascopiave Group include:

- end customers of the **natural gas distribution service**, who are served through a network of more than 14,700 km in 301 municipalities in Northern Italy, with a catchment area of more than 870,000 users;
- **natural gas sales companies**, which operate in the territory in which the network of the Group's distribution companies extends;
- **water** customers served through Cogeide in 15 municipalities in the province of Bergamo, totalling more than 100,000 inhabitants through a network of 930 km;
- customers in the **field of cogeneration and heat management**, supplying thermal energy for heating and cooling;
- customers in the **renewable energy sector**, with the management of a total of 29 hydroelectric and wind power plants in production.

Ascopiave is in fact present in the renewable energy sector, owning 29 hydroelectric and wind power plants with a nominal installed capacity of 84.1 MW.

A new wind power plant in the south of Italy, a 9.2 MW onshore photovoltaic park in Mogliano Veneto (TV), and an approximately 28 MW photovoltaic plant with an adjoining hydrogen plant in Paese (TV) are under development.

The distribution companies of the Ascopiave Group, with operational headquarters in Pieve di Soligo (TV), have an Emergency Service available to solve problems related to the supply of gas on the managed networks, such as leaks or dispersions, interruptions or irregularities in supply and damage to distribution plants. The service is completely free of charge from both landlines and mobile phones, active 24 hours a day, every day of the year.

In recent years, through progressive company acquisitions, the Ascopiave Group has increased the geographical areas in which it operates, so that today it is present not only in the province of Treviso, but also in the rest of Veneto, Friuli-Venezia Giulia, Lombardy and Piedmont, Emilia-Romagna, Campania and Calabria.

As at 31/12/2024, the group had 495 employees. For further details on the number of employees by geographic area, please refer to section "S1-6 - Characteristics of the company's employees" in Chapter 3 - Social Information.

The operations performed to map the Ascopiave Group's supply chain and value chain began with an analysis of the applicable regulatory framework and definition of the Group's reporting perimeter. A metric analysis was then conducted with respect to comparable companies, as well as a study of the business sectors of the Group's companies and analysis of the relative supply chains (hydroelectric, RES, water). Finally, the business relations of the Group companies for each sector were preliminarily identified and a discussion was performed with company representatives to validate and finalise the mapping of the value chain.

Ascopiave's business model is mainly based on the distribution of natural gas, an activity performed through concessions that guarantee a consolidated presence in northern Italy.

The company operates in compliance with industry regulations, with a focus on functional unbundling, thus ensuring the separation of distribution and sales. To optimise the use of resources and ensure management consistency, Ascopiave adopts centralised management of certain services for its subsidiaries. To protect its assets and the reliability of information, the company has implemented a solid internal control system, accompanied by a penalty system for any violations.

In this way, the Group is committed to offering its customers a high quality service, with a focus on transparency and clarity of contractual rules, focusing on providing efficient and reliable services. At the same time, it aims to generate long-term sustainable value for shareholders by integrating sustainability into its corporate governance system.

Through its subsidiaries, the Ascopiave Group operates mainly in the sectors of gas distribution, energy production from renewable sources (RES), co-generation and heat production, and integrated water service, the latter through the company Cart Acqua S.r.l. and the shareholding in Cogeide S.p.A. The variety of the Group's operating sectors is reflected in its various value chains, which include the activities, resources and relationships used to provide services and create economic, social and environmental value. These include both internal processes and interactions with external partners and stakeholders, throughout all operational and support phases.

In **natural gas distribution**, Ascopiave's value chain starts with natural gas suppliers, supported by specialised transport and storage operators. Strategic partners such as SNAM and other local operators ensure continuity and security of supply. Also crucial is the role of suppliers of infrastructure components, including meters, measurement systems and maintenance materials, as well as external companies that provide ancillary services such as consumption readings. Ascopiave directly manages distribution operations through a capillary network of infrastructures that allows gas to be transported and measured up to the redelivery points of end customers. Activities managed internally include ordinary and extraordinary network maintenance, inspections, emergency management, and services related to customer connection and disconnection. The final stage of the chain sees the involvement of sales companies that interface directly with residential, commercial and industrial customers, guaranteeing the availability of natural gas for different types of users.

In the field of **production from renewable energy sources** (RES), Ascopiave operates mainly in the wind and hydroelectric sectors. Upstream in the value chain of production from renewable energy sources, the process is based on collaboration with suppliers of technical components and specialised materials, such as turbines, generators and transformers, and with environmental engineering companies and technical consultants who support the planning, design and construction of the plants. The Group oversees all activities related to energy generation, from the construction of the plants to their operational management, also monitoring maintenance and technological upgrades to ensure maximum efficiency. The energy produced is fed into the transmission and distribution system and then marketed through energy trading platforms or directly to wholesalers and energy suppliers for end users. Downstream, Ascopiave also deals with the sale of Guarantees of Origin, which certify the sustainability of energy production.

The production of heat and cogeneration represents another important asset for the Group, due to its ability to generate thermal and electrical energy in a combined and highly efficient manner. Upstream in the value chain are suppliers of primary resources, such as natural gas, electricity and pellets, and companies specialising in the design and construction of cogeneration plants. The operational management includes both the supervision of the plants and the actual production of energy, with a focus on optimising the resources used and reducing emissions. The energy produced is distributed through energy traders such as Est Energy-Hera and destined for end customers, both industrial and residential, through service contracts that guarantee the supply of heat and energy customised to the users' needs.

Finally, Ascopiave is present in the **integrated water service** sector through its wholly owned subsidiary Cart Acqua, which, as a shareholder and technological partner of Cogeide S.p.A., provides technical, administrative and engineering support services. The value chain of the integrated water service is developed along all operational phases, from the capture of water resources to the distribution and treatment of wastewater. These activities are managed by Cogeide, which operates covering all phases of the integrated water service, including drinking water, adduction, distribution, sewerage and purification. Upstream, the process involves a diversified network of suppliers of filter materials, purification technologies and water infrastructure components, as well as specialised maintenance companies. Wastewater is treated through purification processes managed directly by Cogeide, which also collaborates with specialised operators and suppliers of advanced technical solutions. End customers include residential, industrial users and reuse operators, contributing to a sustainable and circular management of water resources.

The analysis of the value chain, depicted above, was further deepened to identify the main impacts, risks and opportunities present both upstream and downstream of the Ascopiave Group's activities. These aspects were analysed as part of the Group's Double Materiality *Assessment*, offering an integrated view of the economic, social and environmental dynamics that influence the business model and sustainability strategies.

The Group's strategy aims to pursue sustainable business success by integrating environmental, social and economic sustainability aspects. The same strategy is oriented towards the objective of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders. The strategic plan outlines a path of sustainable growth in the core businesses of gas distribution and renewable energy, enhancing the impact of investment initiatives already underway and with high visibility. These include the acquisition from the A2A Group of a number of gas distribution concessions in Lombardy, which should be finalised in July 2025 and will allow Ascopiave to further strengthen its presence in a regulated business with significantly stable profit margins. The Ascopiave Group is actively committed to environmental protection through the identification, management and control as well as the reduction of its own impacts, with actions aimed at reducing CO2 emissions, producing clean energy and saving energy; in addition, Ascopiave supports the improvement of social quality standards and constant alignment with best practices in governance.

As announced in the 2024-2027 Strategic Plan approved by Ascopiave's Board of Directors on 18 March 2024, the strategy that will guide the Group to 2027 is based on four pillars: core business growth, diversification into synergic sectors, economic and operational efficiency and innovation. Subsequent to the close of 2024, on 13 February 2025 the Board of Directors approved the 'Strategic Plan 2025-2028', confirming the four strategic guidelines already indicated in the plan approved in 2024.

Ascopiave's strategy is strongly integrated with sustainability issues with the aim of acting in the company's main areas of interest: the quality of services, people, the environment and social issues; this is done by setting **basic goals** (Sustainable corporate growth from an economic-financial, social and environmental point of view), **intermediate goals** (Opportunities for growth and improvement offered by the dynamics of the sectors of interest) and **strategic levers** (Exploitation of current positioning and valorisation, strengthening and development of the resources and skills possessed).

The Group is committed to pursuing sustainability goals in various areas, including human resources management, occupational safety, emissions reduction and energy efficiency. These goals concern both the services offered and the operations performed in the various geographical contexts in which it operates. In particular, the Group focuses its efforts on areas such as sustainable fleet, energy efficiency and proper waste management, with the aim of continuously improving its environmental impact and responding to the needs of customers and stakeholders. In the area of gas distribution, the Group's approach is to set specific goals, aimed at the renewal and digitisation of the network, to improve efficiency in gas distribution and to facilitate the integration of renewable gases, such as biomethane and hydrogen. These goals are part of a long-term commitment to reduce emissions and optimise infrastructure management, with a positive environmental impact and in response to customer and community demands, pursued as follows:

- **Attention to social issues in order to enhance the context in which the Ascopiave Group operates**: the Group pays close attention to the local community and expresses its commitment also by supporting initiatives in the area in five areas of intervention: health and prevention, community and care, culture, history and traditions, sport and the environment (see section 'S3 - Affected Communities' in Chapter 3 - Social Information);
- **Respect for the environment:** the Ascopiave Group's commitment to safeguarding the environment and reducing environmental impacts is guided by the Quality, Environment and Safety guidelines and continuously monitored for all the organisation's activities. The Ascopiave Group is also committed to diversifying its activities, strengthening its presence in the renewable energy sector (see chapter: Environmental sustainability).
- **Excellence and quality of services offered:** the pursuit of high standards of service quality is a primary objective of the Ascopiave Group, which is applied to all activities starting with those of a technical nature, such as emergency services and network inspections (see section "S4 - Consumers and end users" in Chapter 3 - Social Information);

- **Staff safety, well-being and development:** promotion of interventions aimed at minimising risks to the health and safety of its people and development of working practices and conditions to ensure equal opportunities, through the removal of all forms of discrimination; provision of development and training programmes aimed at enhancing the skills of its people and consolidating the professionalism required by the role held (see section "S1 - Own workforce" in Chapter 3 - Social information).

The Ascopiave Group's initiatives aim to combine sustainability and industrial growth by placing great attention and commitment on environmental issues, with the objective of minimising the impact of its activities.

SBM-2 - Stakeholders' interests and opinions

In formulating its strategies, the Ascopiave Group takes into account the indications and expectations of the main stakeholder categories: for each of them, the specific composition, the most relevant and material issues ("material" is defined as all issues that influence the decisions, actions and performance of an organisation and/or its stakeholders) and the listening and dialogue activities underway have been identified. Listed below are the main dialogue, consultation and engagement initiatives performed during 2024, with the different categories of stakeholders involved, considering that the methods and frequency of involvement vary depending on the occasions of discussion during the year (see table below).

Stakeholder category	Sub-category of stakeholder	Type of stakeholder	Procedures of involvement
Shareholders and investors	Shareholders	Users	Conferences, periodic meetings, periodic reporting press releases, institutional website, relevance analysis
	Lenders	Users	
Customers (sales companies, end customers households and private citizens, companies, local authorities, consumer and trade associations)	End customers	Affected	Emergency service, meetings, service conferences, dedicated web areas, discussion with committees and representative associations, relevance analysis
	Trade Associations	Users	
Suppliers (suppliers of raw materials, suppliers of goods and services, local suppliers, suppliers with social value - coop. Social - other business partners)	Suppliers	Affected / Users	Quality assessment dialogue, regular meetings, supplier audits, e-procurement portal, code of ethics, relevance analysis
	Industrial partners	Affected / Users	
Staff	Employees and collaborators	Affected	Company meetings, one-to-one meetings, internal committees, training courses, interviews, evaluations, internal surveys, company intranet, code of ethics, relevance analysis, releases
	Trade Unions	Users	
Institutions and communities (organisations, associations, schools, etc.)	Municipalities and local authorities	Affected	Technical tables, meetings with local mayors and other authorities, focus groups, press conferences, audit visits, events in the area, collaboration with the Authorities, meetings with Associations, relations with schools and universities
	Control authorities and associations	Users	
	Future generations (schools/universities, research centres, incubators)	Affected	

The economic and financial goals are combined with those that emerged during stakeholder engagement with key stakeholders and are integrated with social and environmental goals in order to pursue sustainable success.

The frequency and methodology for reviewing the Double Materiality *Assessment* are defined by the Sustainability Function in coordination with the CFO, depending on changes in the internal and external context of the Group. This process of identifying and assessing potentially relevant issues envisages, where necessary, the involvement of the Group's management and/or internal and/or external stakeholders. Finally, Double Materiality Assessment is approved by the Board of Directors, after review by the Sustainability Committee and reporting to the Control and Risk Committee.

SBM-3 - Relevant Impacts, Risks and Opportunities and their Interaction with the Strategy and Business Model

The Ascopiave Group has long adopted the process of determining its material sustainability issues, considering the aspects that represent the most significant impacts of the company on the environment and people, including impacts on human rights, according to an impact structure approach, integrating the stakeholder perspective into the broader impact assessment process. In 2024, the Double Materiality *Assessment* was performed for the first time, integrating the financial structure perspective, aimed at representing the main risks and opportunities that could potentially impact the organisation's financial position. The CSRD, in fact, introduced the concept of Double Materiality Assessment whereby companies are required to provide information both on the impact of their activities on people and the environment, and on how sustainability issues affect them in terms of financial structure. The table below provide details of the identified material IROs that are subject to the disclosure requirements of the ESRS.

No.	Description of the impact on the environment and people	Topic	Sub-topic	Positive / Negative	Actual/ potential	Reference period	Position in the value chain
1.	Reduction of environmental impacts through the use and certification of an environmental management system	Climate Change	Climate change mitigation	+	Potential	Long-term	Own assets (RES) and downstream value chain (RES)
2.	GHG emissions (especially CO2 and methane) from business activities (e.g. in transport, heating, hydropower - especially methane from organic matter putrefaction processes within large water reservoirs) and in the value chain (e.g. natural gas extraction and transport)	Climate Change	Climate change mitigation	-	Current	Short period	Own activities (Group) and upstream and downstream value chain (Gas Distribution, Co-generation and Heat Generation)
3.	Reducing emissions through the use and implementation of new technologies and innovative practices	Climate Change	Climate change mitigation	+	Current	Short period	Own Assets (Group) and Downstream Value Chain (Gas Distribution)
4.	Reduced environmental impact through the use of geothermal technology for heat pumps in the air conditioning of some locations.	Climate Change	Climate change mitigation	+	Current	Short period	Own Assets (Group)
5.	Reduced environmental impact thanks to the use of EER 160216 toner, which has less impact on the environment.	Climate Change	Climate change mitigation	+	Current	Short period	Own Assets (Group)
6.	Reducing environmental impact through the progressive use of 'green' gases, such as green hydrogen and biomethane.	Climate Change	Climate change mitigation	+	Current	Short period	Own activities (Gas Distribution) and upstream value chain (Gas Distribution)
7.	Pollution linked to GHG emissions (CO2 and methane -gas leaks)	Climate Change	Climate change mitigation	-	Current	Short period	Own activities (Group) and upstream and downstream value chain (Gas Distribution, Co-generation and Heat Generation)
8.	Measures to reduce the environmental impact of the Group's sites	Climate Change	Climate change mitigation	+	Current	Short period	Own Assets (Group)
9.	Reducing emissions by adopting Euro 6 and electric vehicles.	Climate Change	Climate change mitigation	+	Current	Short period	Own Assets (Group)
10.	Supporting the transition to environmentally friendly mobility with the installation of charging stations for electric vehicles	Climate Change	Energy	+	Current	Short period	Own Assets (Group)
11.	Electricity consumption	Climate Change	Energy	-	Current	Short period	Own Assets (Group)
12.	Contribution to environmental sustainability by supplying electricity from renewable sources.	Climate Change	Energy	+	Current	Short period	Own Assets (Group)
13.	Improved energy efficiency and reduced consumption thanks to interventions such as the installation of presence and light sensors, re-lamping with LED technology and heating/cooling with a heat pump powered by a photovoltaic system.	Climate Change	Energy	+	Current	Short period	Own Assets (Group)
14.	Improved energy efficiency through the use of cogeneration plants.	Climate Change	Energy	+	Current	Short period	Own activities (Co-generation and heat production)
15.	Increasing energy self-sufficiency and reducing energy from fossil fuels through the installation of photovoltaic systems at Group sites	Climate Change	Energy	+	Current	Short period	Own Assets (Group)

No.	Description of the impact on the environment and people	Topic	Sub-topic	Positive / Negative	Actual/ potential	Reference period	Position in the value chain
16.	Generation of hazardous waste	Circular economy	Waste	+	Current	Short period	Own activities (Group) and upstream value chain (Gas Distribution)
17.	Generation of waste from plant construction activities	Circular economy	Waste	-	Current	Short period	Own activities (Gas Distribution and RES) and upstream value chain (Gas Distribution, Co-generation and Heat Generation, RES)
18.	Promoting efficiency and reducing waste thanks to a new printing methodology that reduces paper usage.	Circular economy	Waste	+	Current	Short period	Own Assets (Group)
19.	Reducing environmental impact through the sorting of waste generated by the company's activities, both office and non-office	Circular economy	Waste	+	Current	Short period	Own Assets (Group)
20.	Job creation and secure employment for employees	Working conditions	Secure employment, Collective bargaining, including % of workers covered by collective agreements	+	Current	Short period	Own Assets (Group)
21.	Staff development, talent retention and key knowledge development	Working conditions	Secure employment	+	Current	Short period	Own Assets (Group)
22.	Improved employee welfare through work-life balance policies, such as flexible entry and exit times and part-time work for parents.	Working conditions	Secure employment, Working hours, Work-life balance	+	Current	Short period	Own Assets (Group)
23.	Improved employee welfare through targeted corporate welfare programmes	Working conditions	Secure employment	+	Current	Short period	Own Assets (Group)
24.	Increased corporate security through procedures regulating access and operations	Working conditions	Health and safety	+	Current	Short period	Own Assets (Group)
25.	Increased occupational safety through certification of the health and safety system	Working conditions	Health and safety	+	Current	Short period	Own Assets (Group)
26.	Promotion of an inclusive work environment through the adoption of principles of fairness, non-discrimination and equal opportunities for all employees, in compliance with current legislation	Working conditions	Gender equality and equal pay for work of equal value	+	Current	Short period	Own Assets (Group)
27.	Enhancement of human capital through investment in training and skills development of employees (e.g. environmental issues)	Working conditions	Training and skills development	+	Current	Short period	Own Assets (Group)
28.	Safeguarding the security and privacy of employees by protecting personal data in compliance with the GDPR.	Working conditions	Confidentiality (other work-related rights)	+	Current	Short period	Own Assets (Group)
29.	Improvement of safety conditions for personnel of supplier companies through procedures regulating access and operations inside Ascopiave Group premises and plants.	Workers in the value chain	Health and safety (workers in the value chain)	+	Current	Short period	Own activities (Group) and upstream value chain (All)

No.	Description of the impact on the environment and people	Topic	Sub-topic	Positive / Negative	Actual/ potential	Reference period	Position in the value chain
30.	Protection and respect of human rights also through due diligence on the activities of suppliers and corporate partners	Workers in the value chain	Secure employment (workers in the value chain)	+	Current	Short period	Own activities (Group) and upstream value chain (All)
31.	Increased work safety thanks to targeted checks for suppliers working on Ascopiave Group construction sites	Workers in the value chain	Training and Skills Development (Workers in the Value Chain)	+	Current	Short period	Own activities (Group) and upstream value chain (All)
32.	Supporting local economic development through the recruitment and involvement of local suppliers and performers, when economically viable	Communities concerned	Territory-related impacts	+	Current	Short period	Own Assets (Group)
33.	Promoting territorial development	Communities concerned	Territory-related impacts	+	Current	Short period	Own Assets (Group)
34.	Relations with companies, universities, start-ups, positive synergies with academia and innovation	Communities concerned	Territory-related impacts	+	Current	Short period	Own Assets (Group)
35.	Raising awareness in the community about energy saving, safety and environmental protection	Affected communities	Territory-related impacts	+	Current	Short period	Own Assets (Group)
36.	Contribution to community well-being through social initiatives	Affected communities	Territory-related impacts	+	Current	Short period	Own Assets (Group)
37.	Ensuring high safety standards thanks to the quality and efficiency of the services offered by group companies	Communities concerned	Security-related impacts	+	Current	Short period	Own Assets (Group)
38.	Promoting safety through rapid and safe intervention in the event of gas supply problems	Consumers and end users	Personal safety	+	Current	Short period	Own activities (Gas Distribution)
39.	Transparent administration	Business Conduct	Business culture	+	Current	Short period	Own Assets (Group)
40.	Improved working environment and productivity through the promotion of a culture of ethics and integrity	Business Conduct	Business culture	+	Current	Short period	Own Assets (Group)
41.	Protecting employees and creating a more ethical and respectful working environment, thanks to the whistleblowing procedure that ensures the proper handling of reports.	Business Conduct	Protection of whistleblowers	+	Current	Short period	Own Assets (Group)
42.	Contribution to sustainability and social welfare by selecting suppliers who comply with defined environmental and social criteria.	Business Conduct	Management of relations with suppliers including payment practices	+	Current	Short period	Own Assets (Group)

No.	Risk description	Topic	Sub-topic	Climate risk typology	Reference period	Position in the value chain
1.	Extreme Climatic Events (floods, storms, and droughts) can damage infrastructure and interrupt services.	Climate Change	Adaptation to climate change	Physical risk	Short period	Own activities (Group) and upstream and downstream value chain (All)
2.	Increasing pressure from stakeholders to reduce greenhouse gas (GHG) emissions could lead to a strategic shift towards renewable energy. This could result in a costly adaptation for the company, as well as negatively affect profitability.	Climate Change	Adaptation to climate change	Transition risk	Long-term	Own activities (Gas Distribution, Co-generation and Heat Generation) and upstream value chain (Gas Distribution, Co-generation and Heat Generation)
3.	Revision of EU regulations on CO2 emissions from the European Emission Trading Scheme (ETS).	Climate Change	Adaptation to climate change	Transition risk	Medium-term	Own activities (Gas Distribution, Co-generation and Heat Generation)
4.	Revision of European directives disincentivising the use of fossil fuels and related stricter greenhouse gas emission reduction targets	Climate Change	Adaptation to climate change	Transition risk	Medium-term	Own activities (Gas Distribution, Co-generation and Heat Generation)
5.	Drought and climate change can affect hydropower production, reducing the availability of electricity from renewable sources.	Climate Change	Energy	Physical risk	Medium-term	Own assets (RES)
6.	Rising temperatures may affect gas distribution operations, potentially reducing the demand for heating gas in some regions.	Climate Change	Energy	Physical risk	Medium-term	Own activities (Gas Distribution)
7.	Unfavourable energy system developments for the distribution business and their impacts in terms of investment recognition	Climate Change	Energy	Transition risk	Medium-term	Own activities (Gas Distribution)
8.	Environmental risk due to failures / non-conformities on hydroelectric / photovoltaic / wind power plants	Climate Change	Energy	-	Short period	Own assets (RES)
9.	High dependence on gas for continuity of distribution activities	Circular economy	Inflows of resources, including use of resources	-	Long-term	Own activities (Gas Distribution) and upstream value chain (Gas Distribution)
10.	Risk of legal action by employees due to accidents at work	Own workforce	Health and safety	-	Short period	Own Assets (Group)
11.	Failure/inadequate supervision and compliance with OSH regulations (sanctions)	Own workforce	Health and safety	-	Medium-term	Own Assets (Group)
12.	The uncertainty associated with the awarding of concessions may lead to staff downsizing decisions, generating a potential loss of key competencies.	Own workforce	Secure employment	-	Medium-term	Own Assets (Group)
13.	Conflicts with trade unions	Own workforce	Social Dialogue	-	Short period	Own Assets (Group)
14.	Risk of under/overstaffing	Own workforce	Secure employment	-	Medium-term	Own Assets (Group)
15.	Cyberattack resulting in unavailability/loss of Confidentiality/Integrity of information	Own workforce	Confidentiality	-	Short period	Own Assets (Group)
16.	Damage to third parties resulting from gas-related emergencies or accidents (malicious or culpable) or from the operation of construction sites and facilities.	Affected communities	Security-related impacts	-	Short period	Own activities (Gas Distribution)
17.	Risk of legal action by customers whose personal data have been disclosed, compromising their privacy	Consumers and end users	Confidentiality	-	Short period	Own Assets (Group)

No.	Risk description	Topic	Sub-topic	Climate risk typology	Reference period	Position in the value chain
18.	Risk of strategic misalignment between the company's operational activities and the objectives outlined in the Strategic Plan, with negative impacts on organisational coordination, consistency of actions undertaken and proper internal communication and dissemination of the Plan, hindering overall efficacy.	Business Conduct	Business culture	-	Medium-term	Own Assets (Group)
19.	Risk of administrative liability of bodies (Legislative Decree 231/01)	Business Conduct	Business culture	-	Short period	Own Assets (Group)
20.	Incomplete / ineffective sustainability reporting	Business Conduct	Business culture	-	Short period	Own Assets (Group)
21.	Payment fraud risk	Business Conduct	Active and passive corruption	-	Short period	Own Assets (Group)

No.	Opportunity description	Topic	Sub-topic	Reference period	Position in the value chain
1.	Generating growth opportunities and financial returns through strategic investments in the renewable energy market.	Climate Change	Climate change mitigation	Short period	Own assets (RES) and value chain (RES)
2.	Reduced operating costs through investments in technologies that improve the energy efficiency of plants or production processes	Climate Change	Energy	Medium-term	Own activities (Group) and upstream value chain (Gas Distribution, Cogeneration and Heat Generation, RES)
3.	Reduced absenteeism costs and increased productivity through initiatives to enhance employees' physical and mental well-being, including psychological support and work flexibility	Own workforce	Secure employment	Medium-term	Own Assets (Group)
4.	Reduced costs by monitoring health and safety policies to ensure a reduction in risks due to accidents, resulting in increased productivity and employee satisfaction	Own workforce	Health and safety	Medium-term	Own Assets (Group)
5.	Access to low-interest financing, such as green bonds or other debt instruments linked to sustainability through the adoption of sustainable practices	Business Conduct	Business culture	Medium-term	Own Assets (Group)

Climate Change

The reduction of greenhouse gas emissions is a top priority, pursued through the adoption of advanced technologies and the increased use of renewable sources, with a focus on biomethane and green hydrogen. In addition, the commitment to producing energy from renewable sources and improving the energy efficiency of infrastructure and operations contributes to the reduction of resource consumption and the promotion of innovative solutions with low environmental impact. These actions strengthen the sustainability of the business and generate added value in terms of corporate reputation.

During the year, Ascopiave consolidated its approach to risk and opportunity management through the first financial structure analysis, which consolidated and deepened the areas already identified in the previous reporting period. This process allowed for a more precise selection of the most relevant factors, orienting sustainability actions towards clear and measurable goals, strengthening the integration of sustainability in the corporate strategy.

The main impacts include greenhouse gas emissions, which contribute to climate change, and consumption of natural resources related to business activities. However, the adoption of more efficient technologies and the use of renewable sources generate positive impacts, improving environmental quality, reducing the ecological footprint and promoting people's well-being through a healthier environment and greater availability of clean energy. These impacts are closely linked to the company's strategy, which combines economic growth and sustainability through the adoption of innovative technologies and low-impact energy sources, in order to mitigate environmental risks and maximise benefits for communities.

Indeed, the Group recognises how its business directly affects these impacts, both through the distribution of natural gas and the production of renewable energy, and along the value chain, which includes the supply and transportation of gas. The reduction of methane leaks along the distribution network is also a priority objective, as is the optimisation of energy consumption and the progressive decarbonisation of the sector.

In order to mitigate the risks associated with climate change, Ascopiave is stepping up investments in renewable energy and infrastructure upgrades, in response to increasingly stringent environmental regulations. At the same time, the energy transition offers new development opportunities, enabling a reduction in operating costs and a strengthening of the company's competitiveness.

With regard to the current financial effects of risks and opportunities on the Company's financial position, results of operations and cash flows, it should be noted that the only risk that has produced effects in 2024 is the one related to 'Extreme weather events that may damage infrastructure and interrupt the services provided'.

In 2024, in fact, the AGNI-RICHELLERE hydroelectric plant was damaged by a flood, resulting in a loss of revenue in the months of January to March, quantified at Euro 37 thousand[4] . The estimated costs to repair the damaged part of the plant amount to Euro 78 thousand. The works, started in 2024, will be completed in 2025, and the full amount will be paid upon completion.

Further flood damage also affected the WP1-Petronà wind farm, for which the cost of internal road repair was quantified at Euro 172,000.

To date, no formal resilience analysis has been conducted, however, an analysis has been performed with reference to the identification of physical and transition risks. In addition, the Group will assess the potential development of a resilience analysis together with a transition plan.

The regular updating of the Double Materiality *Assessment* allows Ascopiave to constantly monitor climate change aspects and to take appropriate mitigation and adaptation measures.

For a list of material IROs, as well as identified physical and transitional climate risks, please refer to the tables above.

Own workforce

Ascopiave's business model aims to create long-term value for all stakeholders, recognising people as the main success factor. The corporate culture is based on respect for and appreciation of personnel, promoting their involvement through training, professional growth and talent enhancement. The Group invests in the development of skills, encourages the sharing of ideas and teamwork, fostering synergies that generate results of excellence. The Group's own workforce consists of direct employees operating within the national territory. All own employees on whom the Group has, or could have, a material impact are included in the scope of disclosure under ESRS 2.

Selection, recruitment, training and development policies are based on merit and competence metrics, with salary and career paths defined solely on the basis of professional performance. The Group pays particular attention to family needs and promotes projects for women's work, contributing to the creation of a fair and inclusive environment.

The safety and health of workers are key priorities for Ascopiave. The Group not only complies with current regulations, but is committed to constantly improving working conditions, integrating safety into all company activities and promoting individual responsibility at every level. It works to spread a culture of safety, increase awareness of risks and guarantee the necessary resources to protect the health of employees, customers and the communities in which it operates.

The IROs identified in relation to the company's own workforce are closely aligned with Ascopiave's corporate strategy. Managing these issues through inclusive, safety and personnel development policies creates opportunities that strengthen the business model, fostering growth, competitiveness and long-term sustainability. Ascopiave's strategy is

[4] These revenues were estimated by multiplying the average production of the plant in the period 2015-2023 by the energy price of January 2024. The small production of January 2024 of Euro 3,722.74 is deducted from this.

oriented towards the continuous improvement of the workforce, creating a virtuous circle between risk management, talent enhancement and innovation, with the aim of generating value for all stakeholders. Ascopiave adopts policies to support innovation, employment and dignity in the workplace, promoting fair and inclusive work for women, men, young people and people with disabilities, guaranteeing equal opportunities and equal pay. The Group protects the integrity of workers, not tolerating discrimination or harassment in the workplace, and is committed to valuing diversity and inclusion in every aspect of business management.

Subject to due caution related to the specificities of personnel with limitations, disabilities and frailty, no specific categories were identified on which to differentiate impacts, risks and opportunities. Potential risks were identified at an early stage in the analysis of the long list with respect to the size of the workforce and dependence on key resources and staff know-how, the latter assessed as non-material.

The positive impact of Ascopiave's activities on its own workforce concerns the creation of jobs and the guarantee of secure employment, thanks to recruitment policies that promote stability and professional growth. The company is also committed to staff enhancement, fostering talent retention and skills development through targeted training programmes, with a particular focus on technical and managerial talent. A further positive impact concerns the improvement of employees' well-being, thanks to work-life balance policies, such as flexible working hours and part-time work for parents, which meet the needs of workers, specifically those with dependent family members. Health and safety are also central to Ascopiave, with the implementation of a certified occupational safety management system that guarantees adequate protection for employees, especially those working in high-risk environments.

Relevant risks for the company in relation to its own workforce, on the other hand, include the possibility of a law suit arising from work-related accidents, as well as the risk of penalties for non-compliance or inadequate compliance with occupational safety regulations. In addition, the uncertainty surrounding the award of concessions could lead to staff downsizing decisions, resulting in the loss of key skills. Conflicts with trade unions represent a further risk, as does the risk of under- or over-sizing of staff. Finally, another significant risk concerns data protection, with the possibility of cyber-attacks that could compromise the confidentiality and integrity of corporate and personal information of employees.

Opportunities, on the other hand, include reducing absenteeism-related costs and increasing productivity through policies aimed at the physical and mental wellbeing of employees, such as psychological support and work flexibility. Furthermore, the adoption of effective health and safety policies offers the opportunity to reduce the risks of accidents at work, resulting in increased productivity and employee satisfaction. In fact, these measures foster a safer and healthier working environment, also contributing positively to the Group's overall performance.

It should be noted that, in relation to the company's operations, there are no situations of serious risk of forced labour, bonded labour or child labour, neither in specific production facilities nor in geographical areas considered to be at risk.

Please refer to the tables above for a list of material IRO related to the own workforce.

Managing Impacts, Risks and Opportunities

IRO-1 - Description of the process to identify and assess relevant impacts, risks and opportunities

The Double Materiality Assessment is an integral part of the corporate *governance* system and contributes to the definition of the Group's strategies. Through a structured and methodical approach, the company ensures an in-depth analysis consistent with sustainability and responsible risk management goals. This process is part of a broader corporate governance framework aimed at identifying the main impacts, risks and opportunities, as well as supporting strategic decisions with solid, up-to-date information.

The risk identification and assessment process is closely integrated into the overall management of corporate risks. In particular, it starts from the Group's risk analysis (*Enterprise Risk Management* - ERM), of which it represents an integration. The *Risk Assessment* is conducted every six months by the *Risk Manager*, through interviews with *risk owners*, supported by a structured *checklist*. This tool makes it possible to analyse the internal control system and risk management, ensuring an accurate and up-to-date assessment. Moreover, the ERM system already incorporates sustainability aspects aligned with the findings of the Impacts, Risks and Opportunities long list and can be further developed to include the final results of the Double Materiality *Assessment* approved by the Board of Directors, with the aim of strengthening an integrated approach aligned with the Group's strategic priorities.

As far as impacts and opportunities are concerned, they are considered within the Group's strategic plan, so that they can guide corporate decisions with a view to sustainable development and long-term value creation. The integration of these elements into the decision-making process makes it possible to assess the economic, social and environmental implications of corporate choices, ensuring proactive and responsible management of emerging challenges and opportunities.

The structure analysis with regard to the Group's 2024 reporting process was performed following the requirements of the new ESRS standards and in line with the EFRAG *Implementation Guidance 1 - Structure Assessment*. Below are the steps of the process

- **Analysis of the context of the Ascopiave Group:** The Group performed an analysis of its activities and business relations in relation to the sustainability context in which it operates in order to be able to identify the main current and potential impacts, both positive and negative, with respect to the *governance*, social and environmental areas. In this phase, Ascopiave performed an initial high-level analysis of its activities and *business* relations, the geographical and sustainability context in which they take place and updated the mapping of its *stakeholders*. These were identified through:
    - **Interviews with *management***, and their involvement through a questionnaire to gather preliminary feedback on the significance of sustainability issues included in RA16, Appendix A of ESRS 1;
    - **Analysis of internal documentation,** including Business Plan, ERM, Code of Ethics, budget (including DNF 2023) and institutional website, etc;
    - **Analysis of external documentation**, such as studies and industry publications;
    - Structured **benchmarking analysis**, with reference to *best practices* and *comparable* companies operating in the sector.
- Mapping and analysis of the value **chain:** the mapping and analysis of the Ascopiave Group's value chain was performed with the direct involvement of the company's internal referents, responsible for the various operational areas of the companies belonging to the Group (gas distribution, supply of renewable energy, co-generation and heat production, water service). This approach ensured a vision of the activities and interconnections along the value chain, helping to identify the main impacts, risks and opportunities in line with sustainability metrics and the specificities of the context in which the Group operates. The analysis provided significant insights to **identify the** main **impacts, risks and opportunities** linked to the Ascopiave Group's value chain.
- **Identification of impacts, risks and opportunities:** based on the context analysis and related documentation and the mapping of the value chain, a list of impacts, risks and opportunities was drawn up governing the Group's activities and its value chain.

  As far as impacts are concerned, the identification of IROs also took into account those already identified in the previous reporting period, through a process of aggregation and the integration of new information resulting from thematic investigations and discussions with *stakeholders*. The aim was to improve the representation of concrete impacts on the different areas of interest.

  With reference to risks, the Double Materiality Assessment incorporated and integrated the ESG risks already identified in the Ascopiave Group's *Enterprise Risk Management* (ERM) system. In addition, the identified impacts and dependencies of the company were examined, with the aim of assessing the extent to which they could translate into risks or opportunities of a financial nature, deriving from the interactions between the company and its context.

  This process allowed the consolidation of a solid base, aligned with the risk management methodologies already in place within the organisation.

  Finally, with regard to opportunities, special attention was paid to the evolution of the reference context and potential areas of strategic development.

- **Linking impacts, risks and opportunities to AR16 ESRS 1 sustainability issues:** each IRO identified was linked to the scheme of themes, sub-themes provided by the reference standard. In total, 77 impacts, 47 risks and 11 opportunities were identified.
- Pre-assessment **of the long list of impacts**: in the pre-assessment, the impacts were deepened to identify specific characteristics:
  - *Type of effects*, whether positive or negative;
  - *Nature of impact*, whether actual or potential;
  - *Origin of the impact*, whether the impact concerns the Group as a whole, a specific activity or the value chain;
  - The sector, with a focus on gas distribution, renewable energy (RES), cogeneration and heat production, and water service;
  - The time line, distinguishing between short, medium and long term.
- Pre-assessment of the long list of risks and opportunities: in the pre-assessment of risks and opportunities, the following specific features were explored:
  - Origin, whether it concerns the Group as a whole, a specific activity or the value chain;
  - Target sector, with a focus on gas distribution, renewable energy (RES), cogeneration and heat production, and water service;
  - Time line, distinguishing between short, medium and long term.
- Prioritisation of impacts, risks and opportunities: the prioritisation of impacts was performed through the involvement of stakeholders, through the administration of a questionnaire to 69 individuals inside and outside the company, belonging to the following stakeholder categories: customers, suppliers, managers, employees (data owners) and RSU (trade union representatives). They were asked to assess, for each impact, the values of magnitude, extent, degree of remediation (for negative impacts) and probability (for potential impacts, both positive and negative).

  For the prioritisation of risks and opportunities, for the risks already identified in the ERM, the potential magnitude and probability values already validated by *governance* were incorporated. For opportunities and new ESG risks, which emerged from the Double Materiality *Assessment* and were not yet included in the ERM, the Group Risk Manager, the Strategy, Planning and Control Department and the Administration and Finance Department were involved in order to value the relative parameters. The methodology adopted for assessing sustainability-related risks was aligned with that used for corporate risk management, ensuring a consistent integration into the overall risk management framework and guaranteeing a homogeneous approach in the definition of priorities with respect to other types of risk.

  At the end of the Impacts, Risks and Opportunities (IRO) assessment, the structure threshold was calculated as 2.15 for impact structure and 1.27 for financial structure, on a rating scale of up to 5.

  Overall, out of 77 impacts identified in the preliminary phase, 46 were assessed as material. However, following an internal discussion with management, those related to water and marine resources (ESRS E3) and biodiversity and ecosystems (ESRS E4) were deemed non-strategic for the Group and therefore excluded, bringing the final number of material impacts to 42.

  Of the 47 risks and 11 opportunities initially identified, 21 risks and 5 opportunities turned out to be material.

  The material impacts, risks and opportunities led to the identification of 16 relevant sustainability issues (at sub-theme level), divided into 7 themes, to be reported in this Sustainability Report.

  It is anticipated that the sustainability issues identified as material are in the tables below
- Validation of the Double Materiality Assessment: the heads of the Departments and Functions involved in the sustainability reporting process validated the findings of the Double Materiality Assessment.

- Approval of the Double Materiality Assessment: following the Double Materiality Assessment, the results are shared for approval with the Board of Directors on 20 February 2025, after review by the Sustainability Committee and after reporting to the Audit and Risk Committee, ensuring a progressive strategic alignment with corporate goals and an effective integration of ESG issues in decision-making processes. In addition, the results of the Double Materiality Assessment may also be considered for subsequent updates of the ERM system, ensuring an increasingly comprehensive approach aligned with identified priorities.

Stakeholder engagement was performed in December 2024 and was started, specifically, only for impact structure, subsequent to the validation of the so-called long-list of impact risks and opportunities by the Chairman and CEO, in his capacity as director in charge of managing the internal control and risk management system pursuant to the Corporate Governance Code, who reports on the activity performed to the Control and Risk Committee and the Board of Directors. For financial structure, it was decided, for this first year, not to proceed with the involvement of external *stakeholders*, but to address employees (who are the data owners)

The Double Materiality Assessment, which is part of the Sustainability Reporting process, with its associated risks and internal control controls, was integrated into the compliance model under Law No. 262/2005.

In the tables below, the sustainability issues that emerged as material are broken down into topic, sub-topic and sub-sub-topic.

ESRS	Topic	Sub-item
ESRS E1	Climate Change	Climate change mitigation
		Energy
		Adaptation to climate change
ESRS E5	Circular economy	Inflows of resources, including use of resources
		Waste
ESRS S1	Own workforce	Working conditions
		Equal treatment and opportunities for all
		Other work-related rights
ESRS S2	Workers in the value chain	Working conditions
		Equal treatment and opportunities for all
ESRS S3	Affected communities	Economic, social and cultural rights of communities
ESRS S4	Consumers and end users	Information-related impacts for consumers and/or end-users
		Personal safety of consumers and/or end users
ESRS G1	Business Conduct	Business culture
		Management of relations with suppliers including payment practices
		Protection of whistleblowers
		Active and passive corruption

Impact structure

ESRS	Topic	Sub-Item	Sub-topic
ESRS E1	Climate Change	Climate change mitigation	
ESRS E1	Climate Change	Energy	
ESRS E5	Circular economy	Waste	
ESRS S1	Own workforce	Working conditions	Secure employment Working Hours Work-life balance Health and safety
ESRS S1	Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value Training and skills development Diversity
ESRS S1	Own workforce	Other work-related rights	Confidentiality
ESRS S2	Workers in the value chain	Working conditions	Health and safety
ESRS S2	Workers in the value chain	Equal treatment and opportunities for all	Training and skills development
ESRS S3	Communities concerned	Economic, social and cultural rights of communities	Territory-related impacts
ESRS S4	Consumers and end users	Personal safety of consumers and/or end users	Personal safety
ESRS G1	Business Conduct	Business culture	
ESRS G1	Business Conduct	Management of relations with suppliers including payment practices	
ESRS G1	Business Conduct	Protection of whistleblowers	

Financial structure

ESRS	Topic	Sub-item	Sub-topic
ESRS E1	Climate Change	Climate change mitigation	-
ESRS E1	Climate Change	Adaptation to climate change	-
ESRS E1	Climate Change	Energy	-
ESRS E5	Circular economy	Inflows of resources, including use of resources	-
ESRS S1	Own workforce	Working conditions	Safe employment, health and safety
ESRS S3	Communities concerned	Economic, social and cultural rights of communities	Security-related impacts
ESRS S4	Consumers and end users	Information-related impacts for consumers and/or end-users	Confidentiality
ESRS G1	Business Conduct	Business culture	-
ESRS G1	Business Conduct	Active and passive corruption	-

IRO related to climate change

The Group conducted an in-depth analysis to identify the impacts, risks and opportunities (IRO) related to Climate Change, integrated with the analysis of the location of its sites and business activities. This approach has provided a comprehensive and accurate view of the physical and transitional climate-related risk factors, taking into account the specificities of the operating contexts and the vulnerabilities of the industry resulting from climate change. To date, the Group has not conducted a formal resilience analysis; however, an analysis has been performed with reference to the identification of physical and transitional risks. The assessment of exposure to climate impacts was performed starting from the risk analysis conducted in the previous year, supplemented with sector metrics, industry studies and consultations with company contact persons. In addition, the value chain analysis made it possible to examine all the activities of the Group companies and to identify the main risk factors. The Group will consider the possible development of a resilience and scenario analysis and a transition plan.

For a list of material IROs, as well as identified physical and transitional climate risks, please refer to the tables in the section 'SBM-3 - Significant Impacts, Risks and Opportunities and their Interaction with the Strategy and Business Model' in Chapter 1 General Information.

Pollution-related IROs

The Group conducted an in-depth analysis of the location of its sites and business activities to identify pollution-related impacts, risks and opportunities (IROs), considering both current and potential effects. This analysis covered not only direct operations, but also the entire value chain, including upstream and downstream activities. Assessments were made on the basis of historical company data and sectoral metrics. The interest of communities was taken into account through *stakeholder engagement* to validate the Group's internal vision.
Based on the evidence gathered, no material IROs were identified with respect to this topic.

IRO related to water and marine resources

Regarding the identification of impacts, risks and opportunities (IROs) related to water and marine resources, the Group conducted an in-depth analysis of the location of its sites and business operations to assess any sustainability issues related to this issue, considering both actual and potential aspects. The analysis included direct operations and the entire value chain, both upstream and downstream, based on historical company data and industry metrics.

The Group maintains an open dialogue with institutions and territorial stakeholders through technical tables, meetings with local authorities and other engagement initiatives, with the aim of progressively strengthening the process of listening to and interacting with all relevant categories of stakeholders.

The analysis conducted revealed no material impacts, risks or opportunities related to this area.

IRO related to Biodiversity and Ecosystems

With regard to the identification of impacts, risks, dependencies and opportunities (IROs) related to biodiversity and ecosystems, the company conducted an analysis of its activities and the location of its sites, extending the assessment along the upstream and downstream value chain. The analysis took into account historical company data and sector metrics to identify any relevant sustainability issues.

Based on the evidence gathered, no actual or potential significant impacts on biodiversity and ecosystems were identified at company sites or along the value chain. The Group has assessed its operational processes and procurement activities and has not identified any material issues that could result in significant damage or alteration of local ecosystems.

The analysis conducted did not reveal any critical dependencies on ecosystems and related services along the value chain. Therefore, no elements were found that could constitute a strategic risk to the company's business continuity in relation to the availability of essential ecosystem services.

The Group has assessed physical and transitional risks in relation to biodiversity and ecosystems, and has not identified material elements of direct or indirect impact. However, it recognises that the regulatory environment and market expectations on biodiversity protection could evolve in the medium to long term, leading to potential impacts on its industry.

The Group has considered systemic risks related to biodiversity loss and ecosystem degradation, but has not currently identified any material connections between these phenomena and its operations. It will continue to monitor possible regulatory and scientific developments to assess possible future implications.

The Group confirms that none of its sites are located in or near biodiversity-sensitive areas. Consequently, the need to implement specific mitigation measures to reduce negative impacts on natural habitats or protected species has not been identified.

IRO related to the Circular Economy

Governing the identification of IROs related to the circular economy, the company performed an in-depth analysis of the location of its sites and business operations to identify sustainability issues related to resource use and waste management from a circularity perspective, considering both actual and potential aspects. This analysis was extended not only to direct operations, but also along the upstream and downstream value chain. Furthermore, the assumptions considered were based on historical company data and sectoral metrics.

Currently, affected communities have not been consulted in the identification of the Group's impacts, risks and opportunities. However, the company actively involves local institutions and communities through technical tables, meetings with local mayors and other authorities, focus groups, press conferences, audit visits, events in the area, collaboration with the Authorities, meetings with associations, and relations with schools and universities. Ascopiave's intention is to progressively improve the involvement and listening to the requests of all relevant categories of stakeholders, including the communities concerned.

For the list of material IROs related to the Circular Economy, please refer to the tables in the section "SBM-3 - Relevant Impacts, Risks and Opportunities and their Interaction with the Strategy and Business Model" of Chapter 1 - General Information.

IROs linked to the Conduct of Business

The process adopted for the identification and assessment of relevant IROs in the area of business conduct was based on a structured analysis that integrated specific metrics, including the location of activities, the nature of the sector, *business* model and operational structure of the Company. The approach adopted considered the peculiarities of the context in which the Group operates, through an analysis of the value chain, *stakeholder* engagement and assessment of applicable regulations. In particular, the process included an in-depth assessment of corporate culture, *governance* practices, *compliance* management, transparency in managing *stakeholder* relations, policies to prevent corruption and bribery, protection of *whistleblowers*, management of relations with suppliers, fairness in payment practices and adoption of recognised ethical and regulatory *standards.*

For a list of material IROs related to the topic Business Conduct, please refer to the tables in the section "SBM-3 - Significant Impacts, Risks and Opportunities and their Interaction with the Strategy and Business Model" of Chapter 1 - General Information.

IRO 2 - Disclosure requirements of ESRS covered by the corporate sustainability statement

The Group defined the information to be disclosed through a structured process that, first, considered the datapoints related to sustainability issues identified as relevant in the Double Materiality Assessment. Subsequently, datapoints were identified were not relevant for the Group, as they related to issues or related to immaterial disclosure requirements.

To support this process, the Group referred to the flowchart for determining disclosures in the ESRS, found in Appendix E of ESRS 1, in order to ensure a systematic analysis aligned with the principles set out in the regulations.

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Criteria for drafting			
BP-1	General criteria for drafting sustainability statements	ESRS 2 - General Information, Criteria for Drafting	70-71
BP-2	Information in relation to specific circumstances	ESRS 2 - General Information, Criteria for Drafting	71-72
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GOV-1	Role of the administration, management and control bodies	ESRS 2 - General Information, Governance	72-81
GOV-2	Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them	ESRS 2 - General Information, Governance	81-82
GOV-3	Integrating sustainability performance into incentive schemes	ESRS 2 - General Information, Governance	82
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SMB-1	Strategy, business model and value chain	ESRS 2 - General Information, Strategy	86-91
SMB-2	Stakeholders' interests and opinions	ESRS 2 - General Information, Strategy	91-92
SMB-3	Relevant impacts, risks and opportunities and their interaction with the strategy and business model	ESRS 2 - General Information, Strategy	92-100
Managing Impacts, Risks and Opportunities			
IRO-1	Description of processes to identify and assess relevant impacts, risks and opportunities	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
IRO-2	Disclosure requirements of the ESRS covered by the corporate sustainability statement	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	108-118

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ESRS E1 - Climate Change			
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ESRS 2 GOV-3	Integrating sustainability performance into incentive schemes	ESRS 2 - General Information, Governance	82
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E1-1	Transition Plan for Climate Change Mitigation	ESRS E1 - Climate Change, Strategy	136
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Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant climate-related impacts, risks and opportunities	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
E1-2	Climate change mitigation and adaptation policies	ESRS E1 - Climate Change, Managing Impacts, Risks and Opportunities	136-137
E1-3	Actions and resources governing climate change policies	ESRS E1 - Climate Change, Managing Impacts, Risks and Opportunities	138-140
Metrics and Targets			
E1-4	Climate change mitigation and adaptation objectives	ESRS E1 - Climate Change, Metrics and Targets	140-141
E1-5	Energy consumption and energy mix	ESRS E1 - Climate Change, Metrics and Targets	141-142
E1-6	Gross GHG emissions of scope 1, 2, 3 and total GHG emissions	ESRS E1 - Climate Change, Metrics and Targets	143-146
E1-9	Expected financial effects of significant physical and transitional risks and potential climate-related opportunities	Phase in	-
ESRS E2 - Pollution			
Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant pollution-related impacts, risks and opportunities	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
ESRS E3 - Marine Waters and Resources			
Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant impacts, risks and opportunities governing water and marine resources	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
ESRS E4 - Biodiversity and ecosystems			
Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant impacts, risks and opportunities governing biodiversity and ecosystems	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
ESRS E5 - Circular Economy			
Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant impacts, risks and opportunities governing resource use and the circular economy	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
E5-1	Resource use and circular economy policies	ESRS E5 - Circular Economy, Managing Impacts, Risks and Opportunities	146
E5-2	Actions and resources governing resource use and the circular economy	ESRS E5 - Circular Economy, Managing Impacts, Risks and Opportunities	146-147

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ESRS E5 - Circular Economy			
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E5-3	Resource use and circular economy targets	ESRS E5 - Circular Economy, Metrics and Targets	147
E5-4	Incoming resource flows	ESRS E5 - Circular Economy, Metrics and Targets	148
E5-5	Resource outflows - waste	ESRS E5 - Circular Economy, Metrics and Targets	149-150
E5-6	Expected financial effects of impacts, risks and opportunities governing resource use and the circular economy	Phase in	-
ESRS S1 - Own workforce			
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ESRS 2 SBM-2	Stakeholders' interests and opinions	Chapter 1 - General Information, Strategy	91-92
ESRS 2 SBM-3	Relevant impacts, risks and opportunities and their interaction with the strategy and business model	Chapter 1 - General Information, Strategy	92-100
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S1-1	Policies governing own workforce	ESRS S1 - Own Workforce, Management of Impacts, Risks and Opportunities	151-153
S1-2	Processes for involving own workers and workers' representatives on impacts	ESRS S1 - Own Workforce, Management of Impacts, Risks and Opportunities	153-154
Managing Impacts, Risks and Opportunities			
S1-4	Actions on relevant impacts on the own workforce and approaches to mitigating relevant risks and pursuing relevant opportunities in relation to the own workforce, as well as the efficacy of these actions	ESRS S1 - Own Workforce, Management of Impacts, Risks and Opportunities	154-155
Metrics and Targets			
S1-5	Objectives governing the management of relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities	ESRS S1 - Own Workforce, Metrics and Targets	155-156
S1-6	Characteristics of the company's employees	ESRS S1 - Own Workforce, Metrics and Targets	156
S1-7	Characteristics of non-employees in the company's own workforce	Phase in	-
S1-8	Collective bargaining coverage and social dialogue	ESRS S1 - Own Workforce, Metrics and Targets	157
S1-9	Diversity metrics	ESRS S1 - Own Workforce, Metrics and Targets	157
S1-10	Adequate wages	ESRS S1 - Own Workforce, Metrics and Targets	157
S1-11	Social Protection	ESRS S1 - Own Workforce, Metrics and Targets	157-158
S1-12	Persons with disabilities	ESRS S1 - Own Workforce, Metrics and Targets	158
S1-13	Training and Skills Development Metrics	ESRS S1 - Own Workforce, Metrics and Targets	158
S1-14	Health and safety metrics	ESRS S1 - Own Workforce, Metrics and Targets	159
S1-15	Work-life balance metrics	Phase in	-
S1-16	Remuneration metrics (pay gap and total remuneration)	ESRS S1 - Own Workforce, Metrics and Targets	159
S1-17	Incidents, complaints and serious human rights impacts	ESRS S1 - Own Workforce, Metrics and Targets	159

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ESRS S2 - Workers in the value chain			
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ESRS 2 SBM-2	Stakeholders' interests and opinions	Phase in	-
ESRS 2 SBM-3	Relevant impacts, risks and opportunities and their interaction with the strategy and business model	Phase in	-
Managing Impacts, Risks and Opportunities			
S2-1	Worker-related policies in the value chain	Phase in	-
S2-2	Employee involvement processes in the value chain regarding impacts	Phase in	-
S2-3	Processes to remedy negative impacts and channels for workers in the value chain to express concerns	Phase in	-
Managing Impacts, Risks and Opportunities			
S2-4	Actions on relevant impacts for workers in the value chain and approaches for the management of relevant risks and the achievement of relevant opportunities for workers in the value chain, as well as the efficacy of these actions	Phase in	-
Metrics and Targets			
S2-5	Objectives governing the management of relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities	Phase in	-
ESRS S3 - Communities concerned			
Strategy			
ESRS 2 SBM-2	Stakeholders' interests and opinions	Phase in	-
ESRS 2 SBM-3	Relevant impacts, risks and opportunities and their interaction with the strategy and business model	Phase in	-
Managing Impacts, Risks and Opportunities			
S3-1	Policies on affected communities	Phase in	-
S3-2	Processes for engaging affected communities on impacts	Phase in	-
S3-3	Processes to remedy negative impacts and channels for affected communities to voice concerns	Phase in	-
S3-4	Actions on relevant impacts on affected communities and approaches to manage relevant risks and achieve relevant opportunities for affected communities, as well as the efficacy of these actions	Phase in	-
Metrics and Targets			
S3-5	Objectives governing the management of relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities	Phase in	-
ESRS S4 - Consumers and end-users			
Strategy			
ESRS 2 SBM-2	Stakeholders' interests and opinions	Phase in	-
ESRS 2 SBM-3	Relevant impacts, risks and opportunities and their interaction with the strategy and business model	Phase in	-
Managing Impacts, Risks and Opportunities			
S4-1	Consumer and end-user related policies	Phase in	-
S4-2	Consumer and end-user involvement processes regarding impacts	Phase in	-
S4-3	Processes to remedy negative impacts and channels for consumers and end-users to express concerns	Phase in	-
S4-4	Actions on relevant impacts on consumers and end-users and approaches for the mitigation of relevant risks and the achievement of relevant opportunities in relation to consumers and end-users, as well as the efficacy of such actions	Phase in	-

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ESRS S4 - Consumers and end-users			
Metrics and Targets			
S4-5	Objectives governing the management of relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities	Phase in	-
ESRS G1 - Business Conduct			
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ESRS 2 GOV-1	Role of the administration, management and control bodies	ESRS 2 - General Information, Governance	72-81
Managing Impacts, Risks and Opportunities			
ESRS 2 IRO-1	Description of processes to identify and assess relevant impacts, risks and opportunities	ESRS 2 - General Information, Managing Impacts, Risks and Opportunities	100-107
G1-1	Policies on corporate culture and business conduct	ESRS G1 - Business Conduct, Managing Impacts, Risks and Opportunities	166-169
G1-2	Management of relations with suppliers	ESRS G1 - Business Conduct, Managing Impacts, Risks and Opportunities	169-170
G1-3	Prevention and detection of active and passive corruption	ESRS G1 - Business Conduct, Managing Impacts, Risks and Opportunities	170-171
Managing Impacts, Risks and Opportunities			
G1-4	Established cases of active or passive corruption	ESRS G1 - Business Conduct, Metrics and Targets	172
G1-6	Payment Practices	ESRS G1 - Business Conduct, Metrics and Targets	172

List of information referred to in cross-cutting and main principles derived from other EU legislative acts					
Duty of disclosure and corresponding information	**SFDR Reference**	**Third Pillar Reference**	**Reference Index Regulation**	**EU climate law reference**	**Location/notes**
ESRS 2 GOV-1 Gender diversity in the council, Section 21(d)	Annex I, Table 1, Indicator No. 13		Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 1 - General Information, Governance
ESRS 2 GOV-1 Percentage of independent board members, Section 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 1 - General Information, Governance
ESRS 2 GOV-4 Statement on Duty of Care, Section 30	Annex I, Table 3, Indicator No. 10				Chapter 1 - General Information, Governance
ESRS 2 SBM-1 Involvement in activities governing fossil fuel activities, Section 40(d)(i)	Annex I, Table 1, Indicator No 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1 - Qualitative Information on Environmental Risk and Table 2 - Qualitative Information on Social Risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 1 - General Information, Strategy
ESRS 2 SBM-1 Involvement in activities governing the production of chemicals, Section 40(d)(ii)	Annex I, Table 2, Indicator No 9		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not relevant
ESRS 2 SBM-1 Participation in activities governing controversial weapons, Section 40(d)(iii)	Annex I, Table 1, indicator No. 14		Article 12(1) of Delegated Regulation (EU) 2020/1818 and Annex II to the Delegated Regulation (EU) 2020/1816		Not relevant
ESRS 2 SBM-1 Involvement in activities governing tobacco cultivation and production, Section 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816		Not relevant
ESRS E1-1 Transition Plan to achieve climate neutrality by 2050, Section 14				Article 2(1) of Regulation (EU) 2021/1119	Chapter 2 - Environmental Information, E1 - Climate Change, Strategy
ESRS E1-1 Companies excluded from metrics aligned with the Paris Agreement, Section 16(g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 1: Bank Portfolio - Indicators of potential climate change-related transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12(1)(d) to (g) and (2) of Delegated Regulation (EU) 2020/1818		Not relevant

Duty of disclosure and corresponding information	SFDR Reference	Third Pillar Reference	Reference Index Regulation	EU climate law reference	Location/notes
ESRS E1-4 GHG emission reduction targets, Section 34	Annex I, Table 2, Indicator No 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Bank Portfolio - Indicators of potential climate change-related transition risk: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		Chapter 2 - Environmental Information, E1 - Climate Change, Strategy
ESRS E1-5 Energy consumption from fossil fuels disaggregated by source (high climate impact sectors only), para. 38	Annex I, Table 1, Indicator No. 5 and Annex I, Table 2, Indicator No. 5				Chapter 2 - Environmental Information, E1 - Climate Change, Metrics and Targets
ESRS E1-5 Energy consumption and energy mix, Section 37	Annex I, Table 1, Indicator No. 5				Chapter 2 - Environmental Information, E1 - Climate Change, Metrics and Targets
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, Sections 40 to 43	Annex I, Table 1, Indicator No. 6				Chapter 2 - Environmental Information, E1 - Climate Change, Metrics and Targets
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, para. 44	Annex I, Table 1, Indicators 1 and 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 1: Bank Portfolio - Indicators of potential climate change-related transition risk: Credit quality of exposures by sector, emissions and residual maturity	Articles 5(1), 6 and 8(1) of Delegated Regulation (EU) 2020/1818		Chapter 2 - Environmental Information, E1 - Climate Change, Metrics and Targets
ESRS E1-6 Intensity of gross GHG emissions, Sections 53 to 55	Annex I, Table 1, Indicator No 3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Banking Portfolio - Indicators of Potential Climate Change Transition Risk: Alignment Metrics	Article 8(1) of Delegated Regulation (EU) 2020/1818		Chapter 2 - Environmental Information, E1 - Climate Change, Metrics and Targets
ESRS E1-7 GHG removals and carbon credits, Section 56				Article 2(1) of Regulation (EU) 2021/1119	Not relevant
ESRS E1-9 Exposure of the metric index portfolio to physical climate-related risks, Section 66			Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816		Not relevant

Duty of disclosure and corresponding information	SFDR Reference	Third Pillar Reference	Reference Index Regulation	EU climate law reference	Location/notes
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk, Section 66(a) ESRS E1-9 Location of Significant Physical Risk Assets, Section 66(c)		Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Model 5: Banking book - Indicators of potential physical risk governing climate change: exposures subject to physical risk			Not relevant
ESRS E1-9 Breakdown of the book value of its real estate assets by energy efficiency classes, Section 67(c)		Article 449a of the Regulation (EU) No 575/2013; Point 34 of Commission Implementing Regulation (EU) 2022/2453; Model 2: Banking Portfolio - Indicators of Potential Climate Change Transition Risk: Loans Secured by Real Estate - Energy Efficiency of Collateral			Not relevant
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, para. 69			Annex II to Delegated Regulation (EU) 2020/1818		Not relevant
ESRS E2-4 Amount of each pollutant listed in Annex II of E-PRTR (European Pollutant Release and Transfer Register) emitted to air, water and land, para. 28	Annex I, Table 1, indicator No 8; Annex I, Table 2, indicator No 2; Annex 1, Table 2, indicator No 1; Annex I, Table 2, indicator No 3				Not relevant
ESRS E3-1 Waters and marine resources, Section 9	Annex I, Table 2, Indicator No. 7				Not relevant
ESRS E3-1 Dedicated policy, Section 13	Annex I, Table 2, Indicator No. 8				Not relevant
ESRS E3-1 Sustainability of the oceans and seas Section 14	Annex I, Table 2, Indicator No. 12				Not relevant
ESRS E3-4 Total recycled and reused water, Section 28(c)	Annex I, Table 2, Indicator No 6.2				Not relevant
ESRS E3-4 Total water consumption in m3 compared to net revenues from own operations, para. 29	Annex I, Table 2, Indicator No 6.1				Not relevant
ESRS 2 IRO-1 - E4 Section 16(a)(i)	Annex I, Table 1, Indicator No. 7				Chapter 1 - General Information, Managing Impacts, Risks and Opportunities
ESRS 2 IRO-1 - E4 Section 16 (b)	Annex I, Table 2, Indicator No. 10				Chapter 1 - General Information, Managing Impacts, Risks and Opportunities

Duty of disclosure and corresponding information	SFDR Reference	Third Pillar Reference	Reference Index Regulation	EU climate law reference	Location/notes
ESRS 2 IRO-1 - E4 Section 16 (c)	Annex I, Table 2, Indicator No. 14				Chapter 1 - General Information, Managing Impacts, Risks and Opportunities
ESRS E4-2 Sustainable agricultural/land-use policies or practices, Section 24(b)	Annex I, Table 2, Indicator No. 11				Not relevant
ESRS E4-2 Sustainable sea/ocean use practices or policies, Section 24(c)	Annex I, Table 2, Indicator No. 12				Not relevant
ESRS E4-2 Policies to address deforestation, Section 24(d)	Annex I, Table 2, Indicator No. 15				Not relevant
ESRS E5-5 Non-recycled waste, Section 37(d)	Annex I, Table 2, Indicator No. 13				Chapter 2 - Environmental Information, E5 - Circular Economy, Metrics and Targets
ESRS E5-5 Hazardous Waste and Radioactive Waste, Section 39	Annex I, Table 1, Indicator No 9				Chapter 2 - Environmental Information, E5 - Circular Economy, Metrics and Targets
ESRS 2 - SBM3 - S1 Risk of forced labour, Section 14(f)	Annex I, Table 3, Indicator No. 13				Chapter 1 - General Information, Strategy
ESRS 2 - SBM3 - S1 Risk of child labour, Section 14(g)	Annex I, Table 3, Indicator No. 12				Chapter 1 - General Information, Strategy
ESRS S1-1 Political commitments to human rights, Section 20	Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11				Chapter 3 - Social Information, S1 - Own Workforce, Managing Impacts, Risks and Opportunities
ESRS S1-1 Due diligence policies on matters covered by Core Conventions 1 to 8 of the International Labour Organisation, para. 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 3 - Social Information, S1 - Own Workforce, Managing Impacts, Risks and Opportunities
ESRS S1-1 Procedures and measures to prevent trafficking in human beings, Section 22	Annex I, Table 3, Indicator No. 11				Chapter 3 - Social Information, S1 - Own Workforce, Managing Impacts, Risks and Opportunities
ESRS S1-1 Occupational accident prevention policy or management system, Section 23	Annex I, Table 3, Indicator No. 1				Chapter 3 - Social Information, S1 - Own Workforce, Managing Impacts, Risks and Opportunities
ESRS S1-3 Mechanisms for handling complaints/complaints, Section 32(c)	Annex I, Table 3, Indicator No. 5				Not relevant

Duty of disclosure and corresponding information	SFDR Reference	Third Pillar Reference	Reference Index Regulation	EU climate law reference	Location/notes
ESRS S1-14 Number of deaths and number and rate of work-related injuries, para 88 (b) and (c)	Annex I, Table 3, Indicator No. 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESRS S1-14 Number of days lost due to injury, accident, fatality or illness, para 88 (e)	Annex I, Table 3, Indicator No 3				Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESRS S1-16 Unadjusted gender pay gap, Section 97(a)	Annex I, Table 1, Indicator No 12		Commission Delegated Regulation (EU) 2020/1816, Annex II		Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESRS S1-16 Excessive pay gap in favour of the CEO, para. 97 (b)	Annex I, Table 3, Indicator No. 8				Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESRS S1-17 Discrimination-related incidents, Section 103(a)	Annex I, Table 3, Indicator No. 7				Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESR S1-17 Failure to comply with the UN Guiding Principles on Business and Human Rights and OECD Section 104(a)	Annex I, Table 1, Indicator No. 10 and Annex I, Table 3, Indicator No. 14		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Chapter 3 - Social Information, S1 - Own Workforce, Metrics and Targets
ESRS 2 SBM-3 - S2 Serious risk of child labour or forced labour in the labour chain, para. 11(b)	Annex I, Table 3, Indicators Nos. 12 and 13				Phase in
ESRS S2-1 Political commitments to human rights, Section 17	Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11				Phase in
ESRS S2-1 Worker-related policies in the value chain, para. 18	Annex I, Table 3, Indicators No. 11 and 4				Phase in
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, Section 19	Annex I, Table 1, Indicator No. 10		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Phase in
ESRS S2-1 Due diligence policies on matters covered by Core Conventions 1 to 8 of the International Labour Organisation, para. 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		Phase in
ESRS S2-4 Human rights issues and incidents in its upstream and downstream value chain, para. 36	Annex I, Table 3, Indicator No. 14				Phase in
ESRS S3-1 Political commitments on human rights, Section 16	Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11				Phase in

Duty of disclosure and corresponding information	SFDR Reference	Third Pillar Reference	Reference Index Regulation	EU climate law reference	Location/notes
ESRS S3-1 Failure to comply with the UN Guiding Principles on Business and Human Rights, the ILO Principles or the OECD Guidelines, para. 17	Annex I, Table 1, Indicator No. 10		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Phase in
ESRS S3-4 Human Rights Issues and Incidents, Section 36	Annex I, Table 3, Indicator No. 14				Phase in
ESRS S4-1 Consumer and End-User Related Policies, para. 16	Annex I, Table 3, Indicator No 9 and Annex I, Table 1, Indicator No 11				Phase in
ESRS S4-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, para. 17	Annex I, Table 1, Indicator No. 10		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Phase in
ESRS S4-4 Human Rights Issues and Incidents, Section 35	Annex I, Table 3, Indicator No. 14				Phase in
ESRS G1-1 United Nations Convention against Corruption, Section 10(b)	Annex I, Table 3, Indicator No. 15				Chapter 4 - Governance Information, G1 - Business Conduct, Managing Impacts, Risks and Opportunities
ESRS G1-1 Protection of whistleblowers, Section 10(d)	Annex I, Table 3, Indicator No. 6				Chapter 4 - Governance Information, G1 - Business Conduct, Managing Impacts, Risks and Opportunities
ESRS G1-4 Fines imposed for violations of laws against active and passive corruption, para. 24 (a)	Annex I, Table 3, Indicator No 17		Annex II of Delegated Regulation (EU) 2020/1816		Chapter 4 - Governance Information, G1 - Business Conduct, Metrics and Objectives
ESRS G1-4 Rules for combating active and passive corruption, Section 24(b)	Annex I, Table 3, Indicator No 16				Chapter 4 - Governance Information, G1 - Business Conduct, Metrics and Objectives

CHAPTER 2 - ENVIRONMENTAL INFORMATION

The European Taxonomy (EU Reg. 2020/852)

In recent years, there has been a growing awareness of environmental and social sustainability issues; as part of this process, investments geared towards environmentally sustainable development have become increasingly important.

In this context, the European Union issued Regulation (EU) 2020/852, which was followed by subsequent Delegated Regulations, (EU 2139/2021, EU 1214/2022 and EU 2486/2023); these regulations define under which conditions an economic activity can be considered 'environmentally sustainable', with reference to the following environmental objectives:

[1] Climate Change Mitigation (CCM);

[2] Climate Change Adaptation (CCA);

[3] The sustainable use and protection of water and marine resources (WTR);

[4] The transition to a circular economy (EC);

[5] Pollution prevention and control (PPC);

[6] The protection and restoration of biodiversity and ecosystems (BIO).

In addition, the Commission issued Delegated Regulation (EU) 2178/2021, which defined how the information referred to in Article 8 of the Taxonomy Regulation should be published.

It is envisaged that the Commission will periodically review, supplement, or amend the Delegated Regulations and publish new clarifications according to technological developments, as well as the assessment of any further activities subject to reporting with a view to verifying their relevance to the aforementioned environmental objectives.

In particular, it should be noted that on 05 March 2025, a European Commission Notice "on the interpretation and implementation of certain legal provisions of the the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act" " was published in the Official Journal of the European Union, which, with reference to some of the services performed by the Company, provides a more precise definition of how an activity should be considered eligible and aligned to the Taxonomy (see FAQ 27); as a result, in some cases the presentation of taxonomy statements may be different in these Financial Statements than in the previous year.

The objective of the Taxonomy is to define a single framework of rules valid for all European companies in order to make their reporting comparable with reference to the level of environmental sustainability of the economic operations performed and the related investments. Within this framework, therefore, it is possible to identify which activities can be considered eligible for the Taxonomy, i.e. which activities are consistent with the definitions of at least one of the aforementioned environmental objectives.

If an activity performed, or a part of it, does not correspond to any of the definitions in the aforementioned Delegated Regulations, it is considered ineligible, regardless of the contribution that this activity makes to the achievement of the environmental objectives set out in the Taxonomy.

Within the framework of the activities considered eligible, a check is then performed to ascertain which activities are also aligned with the Taxonomy; that is, which activities meet the technical screening criteria (hereinafter, CVT) envisaged for that specific objective and, at the same time, do not cause significant harm to any of the other objectives, c.d. "Do Not Significant Harm" (hereafter, DNSH) criteria; finally, for an activity to be considered effectively aligned, it must also comply with the minimum safeguards (hereafter, MS) set forth in the regulatory framework.

On the other hand, the regulations have defined how economic information must be verified and disclosed; specifically, the following key economic performance indicators (KPIs) have been identified relating to: the share of turnover (Revenues), the share of capital expenditure (CapEx) and the share of maintenance operating expenditure (OpEx); in detail, these indicators are defined as follows:

KPI Turnover (%) = Turnover (Revenues) aligned to EU Taxonomy / Total Turnover

KPI Opex (%) = Opex aligned to EU Taxonomy / Total Opex

KPI Capex (%) = Capex aligned to EU Taxonomy / Total Capex

The taxonomic schedules are also resubmitted pursuant to the provisions of Regulation (EU) No. 34/2013.

Accounting Principles

The KPIs subject to disclosure were determined by considering the balance sheet items pertaining to each KPI as follows:

Turnover:

- for natural gas distribution and metering services (objectives CCM 4.14 and CCM 7.5), the portion of the revenue restriction, recognised by Arera, against the corresponding investments was taken into account; as well as the portion of revenues, also recognised in the tariff, to cover operating costs; on the other hand, revenues referable to investments for the efficiency upgrading of networks and plants, as well as revenues underlying non-compliant meters were considered unaligned;
- For renewable energy production services (objectives CCM 4.1, CCM 4.3; CCM 4.5), revenues from the sale of the relevant electricity produced were taken into account, as well as any contributions and incentives provided for by specific sector regulations;
- Finally, in the case of cogeneration and heat production activities (objectives CCM 4.30 and CCM 4.31), the relevant revenue items relate to the sale of the related services;

Capital Expenditure:

- For natural gas distribution and metering services, the values that can be deduced from the book of assets and that will be recognised in RAB by Arera were taken into consideration, distinguishing between types of intervention considered aligned and non-aligned; in addition, the amounts relating to the means of transport serving the activity in question were evaluated.
- For the various renewable energy production services, reference was again made to the values taken from the asset register; these mainly relate to the construction of new plants for the production of electricity and hydrogen from renewable sources and the facilities for the possible subsequent sale of this energy to third parties; finally, the amounts relating to the means of transport acquired for this activity were taken into account.

Operating expenses:

- In accordance with paragraph 1.1.3 of the Delegated Regulation (EU) 2021/2178; as well as in line with FAQ 385/2011 No. 12, only direct, non-capitalised operating costs related to maintenance and repair activities, as well as any other direct expenditure related to the day-to-day maintenance of property, plant and equipment, and related cleaning costs, necessary to ensure the continuous and effective operation of such assets, were considered for each of the operations performed.

Compliance with Regulation (EU) 2020/852 and its Delegated Regulations

<u>Methodology for verifying the eligibility of individual economic operations.</u>

- The relevant information for the preparation of the aforementioned KPIs was mapped - depending on the details required - in the general accounting systems, or in the analytical accounting systems; in any case, for this information, consistency with what is reported in the consolidated financial statements and compliance with international accounting standards was verified, in order to be able to update and publish the schedules required by the Disclosure Regulations. For the preparation of these statements, intercompany sales and self-consumption were excluded, as well as any other items explicitly excluded by the aforementioned Regulations.
- For each activity performed by the Group, a specific analysis of consistency with the aforesaid regulatory provisions was performed; any clarifications in this regard issued by the European Commission were also assessed. In particular, it was verified whether the individual operations performed by the company are eligible in relation to the descriptions present in each objective indicated in the aforementioned Delegated Acts; in this regard, it was found that the Group's activities considered eligible are mainly adherent to the definitions relative to the Climate Change Mitigation (CCM) objective; while, residually, there is an activity connected to the objective referable to the Circular Economy (CE).

- With reference to the impacts of climate change, where an activity performed by the Group may refer to both climate mitigation and adaptation, the first objective has been adopted for the purposes of taxonomic representation as it is considered more consistent with the operations performed by the Group; this is to avoid duplication of the values shown.

Methodology for verifying the alignment of individual economic operations assessed as eligible.

In a second step, the same Delegated Regulations were analysed to assess, for each eligible activity, the relative degree of alignment with the CVT (substantial contribution) and DNSH (no significant harm) criteria. Finally, all activities were verified for compliance with the minimum safeguards (MS). Below are the details of the verifications performed with reference to each objective under verification:

Climate change mitigation: the main operations performed by the Ascopiave Group comply with the definitions referable to this objective and, to a significant extent, meet its technical screening criteria.

Climate Change Adaptation: Analyses were conducted for all economic operations in order to identify possible physical and transitional climate risks, as well as related climate change adaptation and resilience measures to be implemented.

Sustainable use and protection of water and marine resources: Interventions relating to the construction of gas distribution networks are performed by means of mobile construction sites in normally urbanised and, in any case, anthropised areas, without the establishment of a base camp. Consequently, with reference to the checklist provided in Technical Sheet 5 - Construction and general site works not related to the construction/renovation of buildings for the verification of compliance with DNSH principles, the following activities related to water protection issues do not apply:

- It is not necessary to design the Rainwater Runoff Management Plan, since in the territories where the group's distribution networks are built, the Water Protection Plan is in force. In particular, in the Veneto region, for runoff water, compliance with Article 39 of the NTA of the aforementioned Plan is envisaged. For homogeneous areas with a surface area > 2,000 square metres, the interventions envisage mobile construction sites on public paved areas, therefore the Plan is not necessary.
- No waste water discharge is normally foreseen for mobile construction sites.
- There is no need for a water balance of site activities, because the planned work does not require any appreciable water use.

In conclusion, the construction and operation of gas distribution networks and renewable energy plants do not have a significant impact on the sustainable use and protection of water and marine resources, pursuant to Directive 2000/60 EC.

Pollution prevention and reduction: in carrying out its activities, the Group pays the utmost attention to containing all forms of pollution, consistent with the relevant regulations.

Transition to a Circular Economy: all activities are performed in compliance with the relevant regulations, with particular attention to the recovery of materials produced during plant decommissioning; and with reference to the containment of waste produced.

Protection and restoration of biodiversity and ecosystems: company policies are aimed at full respect for ecosystems, biodiversity and, more generally, respect for the environment.

Minimum safeguards: the Group operates in full compliance with regulations on employment, safety at work and protection of workers' rights. In this regard, reference is made, specifically, to the Code of Ethics, an integral part of Models 231 and the Organisation, Management and Control Model pursuant to Leg. 231/2001; furthermore, the Group establishes relations with its suppliers and contractors in compliance with the principles of fairness, equity, transparency and mutual cooperation, defining requirements, obligations and conditions that include, inter alia, respect for human rights, workers' rights and the environment; as well as the obligation to report any alleged unlawful conduct that the supplier may detect by referring to the Ascopiave Group's "Procedure for the management of whistleblowing".

Details of individual Ascopiave Group activities eligible, aligned and non-aligned with the Environmental Objectives:

Below are the environmental objectives identified with reference to each activity performed within the Ascopiave Group::

CE	3.3	Demolition and wrecking of buildings and other structures ;
CCM	3.10	Manufacture of hydrogen;
CCM	4.1	Electricity generation using solar photovoltaic technology;
CCM	4.3	Electricity generation from wind power;
CCM	4.5	Electricity generation from hydropower;
CCM	4.14	Transmission and distribution networks for renewable and low-carbon gases;
CCM	4.30	High-efficiency co-generation of heat/cool and power from fossil gaseous fuels;
CCM	4.31	Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system;
CCM	6.5	Transport by motorbikes, passenger cars and light commercial vehicles;
CCM	6.15	Infrastructure enabling low-carbon road transport and public transport;
CCM	7.5	Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings with regard to natural gas measurement;

EC 3.3 Demolition and wrecking of buildings and other structures;

Eligible: during the year, the Group demolished a disused natural gas storage facility (gasometer) belonging to the natural gas distribution service;

Aligned: the demolition of the steel structure was performed pursuant to current waste management regulations and involved the complete recovery of the demolished material by sending it to the foundry;

the activity complies with the criteria for substantial contribution, as well as with the DNSH criteria for objectives 1, 2, 3, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 3.10 Manufacture of hydrogen

Eligible: the Group is engaged in the construction or operation of manufacture of hydrogen facilities; only capital expenditure is currently incurred;

Aligned: Electricity produced by photovoltaic solar technology will be used as a primary source for manufacture of hydrogen, consistent with the following environmental objective CCM 4.1;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 4.1 Electricity generation using solar photovoltaic technology:

Eligible: The Group is engaged in the construction or operation of plants for the production of electricity using photovoltaic solar technology;

Aligned: plants produce electricity using photovoltaic solar technology;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 4.3 Electricity generation from wind power:

Eligible: The Group is engaged in the construction or operation of plants for the production of electricity from wind energy;

Aligned: plants produce electricity from wind power;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 4.5 Electricity generation from hydropower:

Eligible: The Group is engaged in the construction or operation of plants for the production of electricity from hydropower;

Aligned: the power generation plants are flowing water plants and do not have an artificial reservoir and comply with Directive 2000/60 EC;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 4.14 Transmission and distribution networks for renewable and low-carbon gases

Eligible: the activity in question, performed by the companies of the Group, is included in the description of the Taxonomy with reference to the objective of mitigating climate change; specifically, with reference to the conversion, change of use or upgrading of gas networks for the transmission and distribution of renewable and low-carbon gases; as well as, the construction or operation of transmission and distribution pipelines for the transport of hydrogen or other low-carbon gases;

It should be noted, in this regard, that the company's purpose is to ensure that its networks are suitable for transporting renewable gases; conversely, it is not the company's responsibility to choose which of these gases (fossil methane, green gas, hydrogen, etc.); this is because this choice is the responsibility of other operators in the chain, within the limits of current regulations. Therefore, for the purposes of taxonomic evaluations, the suitability of distribution networks made available to third parties is relevant.

Aligned: the activity is partly in line with the TLCs for its substantial contribution to climate change mitigation;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned: the activity performed is partly non-compliant with regard to interventions that do not fully meet the TVCs;

CCM 4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels:

Eligible: Construction, upgrading and operation of combined heat/cool and power generation plants using gaseous fossil fuels;

Aligned:

Not aligned: this is a transitional activity that, while contributing to the environmental objective of reducing greenhouse gas emissions, uses gaseous fossil fuels and does not fully meet the relevant technical screening criteria;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

CCM 4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system:

Eligible: Construction, upgrading and operation of heat production plants producing heat/cooling using gaseous fossil fuels and connected to an efficient district heating and cooling system within the meaning of Article 2(41) of Directive 2012/27/EU;

Aligned:

Not aligned: it is a transitional activity that, while contributing to the environmental objective of reducing greenhouse gas emissions, uses gaseous fossil fuels and does not fully meet the relevant technical screening criteria;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles:

Eligible: The Group pursues the gradual replacement of the current vehicle fleet through the purchase, financing, rental, leasing and management of vehicles belonging to categories M1 and N1 under Regulation (EC) No. 715/2007;

Aligned: Specifically, these are low- or zero-CO2-emission vehicles in categories M1 and N1, which fall within the scope of Regulation (EC) No 715/2007 and meet the following criteria:

(i) until 31 December 2025, the specific emissions of CO2 , as defined in Article 3(1)(h) of Regulation (EU) 2019/631, are less than 50 g CO2/km (low and zero emission light-duty vehicles);

(ii) from 1 January 2026, the specific CO2 emissions, as defined in Article 3(1)(h) of Regulation (EU) 2019/631, shall be zero;

(iii) the purchase of other passenger cars and vehicles even if they belong to category M1, N1; does not fulfil the above-mentioned CVT criteria;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 6.15 Infrastructure enabling low-carbon road transport and public transport:

Eligible: the Group is in the process of building, for future operation, infrastructures, related to electric charging points and hydrogen refuelling, necessary for the operation of zero tailpipe CO2 emission vehicles, for road transport; at the moment, only expenditure related to the KPI CapEx are incurred;

Aligned: The said infrastructure will be dedicated to vehicles with zero tailpipe CO2 emissions: electric charging points and hydrogen refuelling stations, using energy sources from solar photovoltaic installations;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned:

CCM 7.5 Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings:

Eligible: Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings;

Aligned: the Ascopiave Group carries out the installation, maintenance and repair of smart gas meters consistent with the CVT referred to in (c); the Group also carries out the maintenance and repair of other gas meters;

the activity complies with the criteria for substantial contribution, as well as the DNSH criteria for objectives 2, 3, 4, 5 and 6, and is performed in compliance with minimum safeguards;

Not aligned: the activity performed is partly non-compliant with regard to the use of conventional meters.

Table 1 Statement of alignment of Ascopiave Group's activities pursuant to Article 29a of Directive 2013/34/EU

KPI	Total (in thousand Euro)	A. Eligible Activities		B. Taxonomy-non-eligible activities
		A1 -Environmentally sustainable activities (Taxonomy-aligned)	A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	
Turnover (Revenue)	204,958	42.1%	19.9%	38.0%
Capital Expenditures (CapEx)	81,069	90.5%	5.1%	4.4%
Operating Expenditures (OpEx)	14,787	32.3%	38.1%	29.6%

Annex II - Templates for Key Performance Indicators (KPIs) of non-financial enterprises

Template: Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH Criteria (Does Not Significant Harm) (h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		M Euro	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	0,09	0,0%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	0.0%	-	-
Electricity generation from wind power	CCM 4.3	3,40	1.7%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	1.2%	-	-
Electricity generation from hydropower	CCM 4.5	22,60	11.0%	Y	N	N	N	N	N	N	Y	Y	N	N	Y	Y	9.2%	-	-
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	35,57	17.4%	Y	N	N	N	N	N	N	Y	N	N	N	N	Y	63.9%		
Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	24,67	12.0%	Y	N	N	N	N	N	N	Y	N	N	N	N	Y	12.1%	E	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**86,32**	**42.1%**	**42.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**86.5%**		
Of which enabling			**12.0%**	**12.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**12.1%**	**E**	
Of which transitional			**0.0%**	**0.0%**													**0.0%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (e) (g)																			
				EL; N/EL (f)	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**										
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0,60	0.3%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.5%		
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	0,03	0.0%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.0%		
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	38,66	18.9%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.0%		
Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	1,56	0.8%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								2.1%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**40,84**	**19.9%**	**19.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**2.6%**		
A. Turnover of Taxonomy- eligible activities (A.1+A.2)		**127,16**	**62.0%**	**62.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**89.1%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non- eligible activities		**77,80**	**38.0%**																
TOTAL		**204,96**	**100.0%**																

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
- climate change mitigation: CCM
- climate change adaptation: CCA
- water and marine resources: WTR
- circular economy: EC
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Y - Yes - Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No - The activity is eligible for taxonomy but is not aligned with the taxonomy with respect to the relevant environmental objective
N/EL - Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

Key Performance Indicator (KPI) - Turnover

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	42.1%	19.9%
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may align with only one or more environmental objectives for which it is eligible.

(e) The same activity may be eligible and not aligned with the relevant environmental objectives..

(f) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective.

(g) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution – Y/N and N/EL codes instead of EL and N/EL; and (b) for DNSH – Y/N codes.

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH Criteria (Does Not Significant Harm) (h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023	Category enabling activity (19)	Category transitional activity (20)
		M Euro	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Demolition and wrecking of buildings and other structures	EC 3.3	0,14	0.2%	N	N	N	N	Y	N	Y	Y	Y	N	Y	Y	Y	0.0%	-	-
Manufacture of hydrogen	CCM 3.10	0,11	0.1%	Y	N	N	N	N	N	N	Y	Y	N	Y	Y	Y	0.0%	-	-
Electricity generation using solar photovoltaic technology	CCM 4.1	7,52	9.3%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	3.8%	-	-
Electricity generation from wind power	CCM 4.3	1,94	2.4%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	14.2%	-	-
Electricity generation from hydropower	CCM 4.5	2,03	2.5%	Y	N	N	N	N	N	N	Y	Y	N	N	Y	Y	0.6%	-	-
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	44,08	54.4%	Y	N	N	N	N	N	N	Y	Y	N	Y	Y	Y	52.5%	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0,21	0.3%	Y	N	N	N	N	N	N	Y	N	Y	Y	N	Y	0.0%	-	T
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	3,51	4.%	Y	N	N	N	N	N	N	Y	Y	Y	Y	Y	Y	0.0%	E	-
Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	13,84	17.1%	Y	N	N	N	N	N	N	Y	N	N	N	N	Y	17.8%	E	-
CapEx of the environmentally sustainable activities (Taxonomy-aligned) (A.1)		**73,39**	**90.5%**	**90.3%**	0,0%	0.0%	0.0%	0.2%	0,0%								**88.9%**		
Of which enabling			**21.4%**	**21.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**17.8%**	**E**	
Of which transitional			**0.3%**	**0.3%**													**0.0%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (e) (g)																			
				EL; N/EL (f)	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**										
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	3,71	4,6%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0,41	0,5%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4,12**	**5.1%**	**5.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
A. CapEx of Taxonomy- eligible activities (A.1+A.2)		**77,50**	**95.6%**	**95.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**88.9%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non- eligible activities		**3,57**	**4.4%**																
TOTAL		**81,07**	**100.0%**																

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
- climate change mitigation: CCM
- climate change adaptation: CCA
- water and marine resources: WTR
- circular economy: EC
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Y - Yes - Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No - The activity is eligible for taxonomy but is not aligned with the taxonomy with respect to the relevant environmental objective
N/EL - Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

Key Performance Indicator (KPI) - CapEx

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	90.3%	5.1%
CCA		
WTR		
CE	0.2%	
PPC		
BIO		

(d) An activity may be aligned with one or more environmental objectives for which it is eligible.
(e) An activity may be permissible that is not aligned with the relevant environmental objectives.
(f) EL - Taxonomy-eligible activity for the relevant objective
N/EL - Activity not eligible for taxonomy for relevant objective
(g) Activities are indicated in section A.2 of this template only if they are not aligned with any environmental objective for which they are eligible. Activities that are aligned with at least one environmental objective are indicated in section A.1 of this template.
(h) In order for an activity to be listed in Section A.1, it must fulfil all DNSH criteria and the relevant minimum safeguards. For activities listed in Section A.2, non-financial enterprises may complete columns 5 to 17 on a voluntary basis. Non-financial corporations may indicate in Section A.2 the substantial contribution and the DNSH criteria met or not met, using: (a) for substantial contribution - codes Yes/No and N/ AM instead of AM and N/AM and (b) for DNSH - codes Yes/No.

Template: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH Criteria (Does Not Significant Harm) (h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023	Category enabling activity (19)	Category transitional activity (20)
		M Euro	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	0,02	0.1%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	0,1%	-	-
Electricity generation from wind power	CCM 4.3	0,51	3.4%	Y	N	N	N	N	N	N	Y	N	Y	N	Y	Y	0,7%	-	-
Electricity generation from hydropower	CCM 4.5	1,22	8.3%	Y	N	N	N	N	N	N	Y	Y	N	N	Y	Y	13,9%	-	-
Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	3,02	20.4%	Y	N	N	N	N	N	N	Y	N	N	N	N	Y	8,1%	E	-
OpEx of the environmentally sustainable activities (Taxonomy-aligned) (A.1)		**4,77**	**32.3%**	**32.3%**	**0%**	**0%**	**0%**	**0%**	**0%**								**22.7%**		
Of which enabling			**20.4%**	**20.4%**	**0%**	**0%**	**0%**	**0%**	**0%**								**8.1%**	**E**	
Of which transitional			**0.0%**	**0.0%**													**0.0%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (e) (g)																			
				EL; N/EL (f)	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**	**EL; N/EL (f)**										
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0,14	0.9%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								1.1%		
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	0,03	0.2%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.2%		
Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	4,48	30.3%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								0.0%		
Installation maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	0,99	6.7%	EL	N / EL	N / EL	N / EL	N / EL	N / EL								1.4%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**5,64**	**38.1%**	**38.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**2.8%**		
A. OpEx of Taxonomy- eligible activities (A.1+A.2)		**10,41**	**70.4%**	**70.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**25.5%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non- eligible activities		**4,38**	**29.6%**																
TOTAL		**14,79**	**100.0%**																

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
- climate change mitigation: CCM
- climate change adaptation: CCA
- water and marine resources: WTR
- circular economy: EC
- Pollution Prevention and Control: PPC
- biodiversity and ecosystems: BIO

(b) Y - Yes - Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No - The activity is eligible for taxonomy but is not aligned with the taxonomy with respect to the relevant environmental objective
N/EL - Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

Key Performance Indicator KPI - OpEx

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	32,3%	38,1%
CCA		
WTR		
CE		
PPC		
BIO		

(d) An activity may be aligned with one or more environmental objectives for which it is eligible.
(e) An activity may be permissible that is not aligned with the relevant environmental objectives.
(f) EL - Taxonomy-eligible activity for the relevant objective
N/EL - Activity not eligible for taxonomy for relevant objective
(g) Activities are indicated in section A.2 of this template only if they are not aligned with any environmental objective for which they are eligible. Activities that are aligned with at least one environmental objective are indicated in section A.1 of this template.
(h) In order for an activity to be listed in Section A.1, it must fulfil all DNSH criteria and the relevant minimum safeguards. For activities listed in Section A.2, non-financial enterprises may complete columns 5 to 17 on a voluntary basis. Non-financial corporations may indicate in Section A.2 the substantial contribution and the DNSH criteria met or not met, using: (a) for substantial contribution - codes Yes/No and N/ AM instead of AM and N/AM and (b) for DNSH - codes Yes/No.

Annex XII

Template 1 Nuclear and fossil gas related activities		
Line	Activities	YES/NO
	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	TThe undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Annex XII - Turnover

Template 2 Taxonomy-aligned economic activities (denominator) - Turnover								
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)						
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		
		Amount	%	Amount	%	Amount	%	
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI							
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI							
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI							
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI							
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%	
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%	
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	86,32	42.1%	86,32	42.1%	0,00	0.0%	
8.	**Total applicable KPI**	204,96	100.0%	204,96	100.0%	0,00	0.0%	

Template 3 Taxonomy-aligned economic activities (numerator) - Turnover							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	86,32	100.0%	86,32	100.0%	0,00	0.0%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	86,32	100.0%	86,32	100.0%	0,00	0.0%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,60	1.5%	0,60	1.5%	0,00	0.0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,03	0.1%	0,03	0.1%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	40,21	98.5%	40,21	98.5%	0,00	0.0%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	40,84	100.0%	40,84	100.0%	0,00	0.0%

Template 5 - Taxonomy non-eligible economic activities - Turnover			
Row	Economic Activities (M€)	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**77,80**	**100.0%**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**77,80**	**100.0%**

Annex XII – CapEx

Template 2 Taxonomy-aligned economic activities (denominator) - CapEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	73,24	90.3%	73,24	90.3%	0,00	0.0%
8.	**Total applicable KPI**	81,07	100.0%	81,07	100.0%	0,00	0.0%

Template 3 Taxonomy-aligned economic activities (numerator) - CapEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	73,24	100.0%	73,24	100.0%	0,00	0.0%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	73,24	100.0%	73,24	100.0%	0,00	0.0%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - CapEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	4,12	100.0%	4,12	100.0%	0,00	0.0%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	4,12	100.0%	4,12	100.0%	0,00	0.0%

Template 5 - Taxonomy non-eligible economic activities - CapEx			
Row	Economic Activities (M€)	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,00	0.0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	3,57	100.0%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	3,57	100.0%

Annex XII – OpEx

Template 2 Taxonomy-aligned economic activities (denominator) - OpEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	4,77	32.3%	4,77	32.3%	0,00	0.0%
8.	**Total applicable KPI**	14,79	100.0%	14,79	100.0%	0,00	0.0%

Template 3 Taxonomy-aligned economic activities (numerator) - OpEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0,00	0.0%	0,00	0.0%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	4,77	100.0%	4,77	100.0%	0,00	0.0%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	4,77	100.0%	4,77	100.0%	0,00	0.0%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - OpEx							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	(M€)	CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,14	2.4%	0,14	2.4%	0,00	0.0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0,03	0.6%	0,03	0.6%	0,00	0.0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	5,47	96.9%	5,47	96.9%	0,00	0.0%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	5,64	100.0%	5,64	100.0%	0,00	0.0%

Template 5 - Taxonomy non-eligible economic activities - OpEx			
Row	Economic Activities (M€)	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	**0,00**	**0.0%**
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	**0,00**	**0.0%**
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**4,38**	**100.0%**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**4,38**	**100.0%**

E1 - Climate Change

Strategy

E1-1 - Transition Plan for Climate Change Mitigation

Ascopiave has not developed a transition plan but, as envisaged in the 'Guidelines for the pursuit of sustainable success', the Group's strategic plan includes initiatives for reducing emissions, adopting advanced technologies for energy efficiency, and enhancing renewable energies. At the same time, the company is evaluating the best strategies to structure a transition plan in line with the evolving regulatory and market environment. This path, which will take into account the specificities of the sector and operational needs, will be defined as part of a gradual and dynamic approach, consistent with sustainable development prospects and stakeholder expectations

Managing Impacts, Risks and Opportunities

Disclosure Requirement E1-2 - Policies related to climate change mitigation and adaptation

The Group has not issued a specific policy describing the company's approach to achieving environmental target, the targets of which were identified in the Strategic Plan. In this regard, the Group will undertake, during 2025, to implement a specific document outlining its environmental policies and actions.

The Group currently has an internal document that serves as a guideline for the identification, management and control of environmental impacts, as well as their reduction and efficient use of energy resources. This document provides a reference for the management of IROs arising from the Double Materiality Assessment in relation to climate change.

Impacts

- Reduction of environmental impacts through the use and certification of an environmental management system.
- GHG emissions (especially CO2 and methane) from business activities (e.g. in transport, heating, hydropower - especially methane from organic matter putrefaction processes within large water reservoirs) and in the value chain (e.g. natural gas extraction and transport).
- Reducing emissions through the use and implementation of new technologies and innovative practices.
- Reduced environmental impact through the use of geothermal technology for heat pumps in the air conditioning of some locations.
- Reduced environmental impact thanks to the use of EER 160216 toner, which has less impact on the environment.
- Reducing environmental impact through the progressive use of 'green' gases, such as green hydrogen and biomethane.
- Pollution related to GHG emissions (CO2 and methane - gas leaks).
- Measures to reduce the environmental impact of the Group's sites.
- Reducing emissions by adopting Euro 6 and electric vehicles.
- Supporting the transition to environmentally friendly mobility with the installation of charging stations for electric vehicles.
- Electricity consumption.
- Contribution to environmental sustainability by supplying electricity from renewable sources.

- Improved energy efficiency and reduced consumption thanks to interventions such as the installation of presence and light sensors, re-lamping with LED technology and heating/cooling with a heat pump powered by a photovoltaic system.
- Improved energy efficiency through the use of cogeneration plants.
- Increasing energy self-sufficiency and reducing energy from fossil fuels through the installation of photovoltaic systems in the Group's premises.

Risks

- Extreme Climatic Events (floods, storms, and droughts) can damage infrastructure and interrupt services.
- Increasing pressure from stakeholders to reduce greenhouse gas (GHG) emissions could lead to a strategic shift towards renewable energy. This could result in a costly adaptation for the company, as well as negatively affect profitability.
- Revision of EU regulations on CO_2 emissions from the European Emission Trading Scheme (ETS).
- Revision of European directives disincentivising the use of fossil fuels and related stricter greenhouse gas emission reduction targets.
- Drought and climate change can affect hydropower production, reducing the availability of electricity from renewable sources.
- Rising temperatures may affect gas distribution operations, potentially reducing the demand for heating gas in some regions.
- Unfavourable energy system developments for the distribution business and their impacts in terms of investment recognition.
- Environmental risk due to failures / non-conformities on hydroelectric / photovoltaic / power plants.

Opportunities

- Generating growth opportunities and financial returns through strategic investments in the renewable energy market.
- Reduced operating costs through investments in technologies that improve the energy efficiency of plants or production processes.

Disclosure Requirement E1-3 - Actions and resources related to climate change policies

In pursuing its commitment to sustainability, Ascopiave adopts an integrated approach to climate change mitigation and adaptation, implementing concrete actions aimed at reducing greenhouse gas emissions and managing the impacts, risks and opportunities listed above. With this in mind, the Group addresses the challenges of extreme climate events and energy transition through investments in energy efficiency, low-emission technologies and renewable sources, turning environmental and regulatory risks into opportunities for sustainable growth and innovation. Currently, the Group does not have a specific Action Plan, but continues to develop targeted initiatives in line with its sustainability commitments.

In the gas distribution sector, fugitive emissions are a major environmental problem, as they consist of uncontrolled gas leaks into the atmosphere from joints, valves and pipelines, with possible repercussions on the environment, safety and system efficiency.

To address this critical issue, the Group decided to adopt a technology, called Picarro Surveyor, which is one of the most innovative systems for preventive pipeline monitoring and leak detection, based on CRDS (Cavity Ring - Down Spectroscopy) technology.

The system consists of a series of apparatuses and devices installed on a special vehicle that, combined with the use of sophisticated analysis software, guarantee a sensitivity in detecting the presence of gas in the air that is at least three orders of magnitude higher than traditional systems (parts per billion versus parts per million). In addition, therefore, to the extreme sensitivity of detection, another distinguishing feature is the amplitude of the areas subjected to inspection per route, allowing the detection of the smallest dispersions at a distance from the vehicle used for the inspection, thus extending the detection to 200 metres from the axis of the vehicle. The system also allows the precise measurement of fugitive emissions for each individual signal detected.

The Group currently has three vehicles equipped with this technology.

By adopting this system, the company aims to:

- improve the safety conditions of the distribution service for the increased effectiveness of the inspection system.
- improve the metrics for planning network reclamation plans and be able to implement a predictive system for the replacement of leaking pipes.
- contribute to the progressive reduction of methane gas emissions into the atmosphere, in line with the EU targets set at national level in the framework of the National Integrated Energy and Climate Plan (NIPEC 2030). The three vehicles inspected about 9,200 kilometres of network during 2024.

Below is the table containing the main actions implemented by Ascopiave to achieve the goals set out in the Strategic Plan.

Action	Expected results and contribution to policy objectives	Scope of application	Lead time	Remedy for actual major impacts	Progress of previous actions	GHG reduction (realised or planned)
Commissioning of a **wind power plant** of the subsidiary Salinella Eolico S.r.l. with an installed capacity of 21.6 MW in the free market regime	Energy production from renewable sources	The plant was built in Calabria	Built between 2023 and 2024 and started up in 2024.	-	-	This action helps reduce GHG emissions
Adoption of the most innovative **technologies for preventive network monitoring** to reduce the harmful effect on the environment of fugitive methane gas emissions	Reducing emissions	Gas distribution network	Ongoing	Action was taken to reduce the harmful effect on the environment of fugitive methane gas emissions	Reference year 2024 and then measure progress in 2025	This action helps reduce GHG emissions
Investment in **the renewal** of deteriorated and outdated **networks**	Reducing emissions	Gas distribution network	Ongoing	The action was taken to reduce the harmful effect on the environment of fugitive methane gas emissions and to facilitate the release of renewable gas		This action helps reduce GHG emissions
Supplier qualification process involving specific checks set by the Group, also outside the scope of the Public Contracts Code (including **possession of specific environmental**, quality and health and safety **certifications**)	Improving sustainability	Suppliers	Ongoing	-	-	This action could indirectly contribute to the reduction of emissions
Investments in green gases, i.e. Green Hydrogen and Biomethane	Reducing emissions	Country of Treviso	Entry into operation in 2026	Action was taken to reduce the harmful effect on the environment of CO2 emissions	Not in operation	This action helps reduce GHG emissions
Investments in hydroelectric plants	Energy production from renewable sources	At hydroelectric power plants owned	Ongoing	Action was taken to reduce the harmful effect on the environment of CO2 emissions		This action helps reduce GHG emissions
UNI EN ISO 14001 certification. For ISO 14001 Ascopiave adopted a simplified Environmental Analysis, due to the reduced environmental impacts of relevance (soil, water, emissions, special waste, energy and fuel consumption)		Ascopiave S.p.A. AP Reti Gas S.p.A. AP GAS NETWORKS NORTH WEST S.p.A. Asco Power S.p.A. (by 2025)	AP Reti Gas S.p.A. - expiry 19/10/2026 AP Reti Gas Nord Ovest S.p.A. - expiry 19/10/2026 Ascopiave S.p.A. - expiry - 11/03/2024 Asco Power S.p.A. (by 2025)	The action is aimed at protecting the environment and energy water resources		This action helps reduce GHG emissions
Investments in the sustainability of the vehicle fleet: In 2024, the proportion of Euro 6 vehicles was increased, new hybrid and electric vehicles were introduced, and charging stations connected to the photovoltaic system were activated at the headquarters.	Reducing emissions	Ascopiave Group car park	Ongoing	Reducing emissions	There has been a gradual increase in the electric fleet through the acquisition of hybrid and biofuel cars	This action helps reduce GHG emissions
Reorganisation and streamlining of management and maintenance processes for wind and hydroelectric plants	Reducing emissions	Asco Power S.p.A.	Ongoing	Reducing emissions	Hydro and wind power production increased	This action helps reduce GHG emissions
Activation of the third section of the photovoltaic system	Reducing emissions	Ascopiave S.p.A.	Go into operation in 2025	Reducing emissions	-	This action helps reduce GHG emissions

Action	Expected results and contribution to policy objectives	Scope of application	Lead time	Remedy for actual major impacts	Progress of previous actions	GHG reduction (realised or planned)
Building efficiency: in 2023, a 172kW/t natural gas-fired direct-fired absorber was replaced by a 137kW/t electric heat pump, fed directly from the new plant.	A reduction in methane gas consumption is expected.	Ascopiave S.p.A.	Built in 2023	Reducing emissions	Reducing methane gas consumption	This action helps reduce GHG emissions
Actions to **make gas distribution networks more efficient by reducing preheating gas**	Reducing emissions	AP Reti Gas S.p.A. AP GAS NETWORKS NORTH WEST S.p.A.	Ongoing	Reducing CO2 emissions	The efficiency of the preheating cabins has remained constant since 2023, as shown by the preheating efficiency index (preheated gas/thousand cubic metres of vectorised gas)	This action helps reduce GHG emissions
Digitisation of networks and measurement infrastructure through the use of smart meters	Progressive replacement of traditional meters with electronic meters	AP Reti Gas S.p.A. AP GAS NETWORKS NORTH WEST S.p.A.	The activity, which is currently underway, has resulted in the installation of approximately 88% of the units that comply with the relevant regulations, with completion scheduled for 2027	Improving the energy efficiency of the network; optimising the recording of final consumption		Progressive replacement of traditional meters with electronic meters

The Group has the necessary financial resources to meet the costs required to implement the actions indicated

In addition to the actions already undertaken, the Group is evaluating further possible areas of development for the reduction of greenhouse gas (GHG) emissions, depending on the evolution of the market context, the regulatory framework and technological progress. Among the options being analysed, but not yet formalised, is the development of pilot projects for the production and release of synthetic gas, obtained from emissions captured through carbon dioxide capture and storage technologies.

Metrics and Targets

Disclosure Requirement E1-4 - Climate change mitigation and adaptation targets

In order to strengthen its contribution to the energy transition and European climate goals, the Ascopiave Group has set a measurable GHG emission reduction target, placing it in the context of national and corporate decarbonisation strategies. This target was set to effectively manage the impacts, risks and opportunities related to GHG emissions, helping to mitigate the environmental effects of its activities, reduce exposure to regulatory changes and seize the development opportunities offered by technological innovation and the transition to more sustainable energy sources .[5]

The Group has set a GHG emissions reduction target of 2030, with 2024 as the base year[6] . Progress towards the target will be monitored annually through the metrics set out in the ESRS, pursuant to the E1-6 reporting requirement.

[5] *For a more detailed list, see the section on Disclosure Requirements E1-2 - Policies Related to Climate Change Mitigation and Adaptation.*

[6] *When defining the base value for the emission reduction target, no explicit consideration was given to the influence of any external factors that might affect its validity as a reference index.*

The table below shows the target values set by the Group for 2028 and 2030: a 13.8% reduction in emissions compared to the base year by 2028 and a 15.5% reduction by 2030. The target is not based on scientific evidence and does not take into account the limitation of global warming to 1.5°C under the Paris Agreement.

This objective falls within the framework of the policy goals defined by the European Green Deal and the Fit for 55 package, contributing to the national energy transition strategy and corporate commitments for decarbonisation[7] . The objective, which only concerns Group activities, is closely linked to managing the environmental impact of greenhouse gas emissions generated by the activities of Group companies. It was defined internally, without the direct involvement of stakeholders, and was not subject to external scrutiny.

Emission reduction target	**2024 (base year)**	**2028**	**2030**
Total GHG emissions (market-based method in scope 2) without fugitive emissions	6,609	5,700	5,586

Disclosure requirement E1-5 - Energy consumption and energy mix

In 2024, the Group consumed a total of 25,834 MWh of energy, of which 1.1% came from renewable sources. In 2024, the total energy production was 225,441 MWh, of which 98.41% came from renewable sources, generated by hydroelectric (84.38%), wind (13.88%) and photovoltaic (0.15%) plants. The remaining 1.59% came from non-renewable sources, of which 0.69% was electricity and the remaining 0.90% heat. The metrics have not been independently verified by an external body.

Energy consumption from fossil sources (MWh)	**2024**
Fuel consumption from crude oil and petroleum products	4,292
Fuel consumption from natural gas	18,148
Consumption of electricity, heat, steam and cooling from fossil sources, purchased or acquired	3,111
Total energy consumption from fossil sources	**25,550**

Energy consumption from renewable sources (MWh)	**2024**
Consumption of self-generated renewable energy without using fuels	284
Total energy consumption from renewable sources	**284**

Total energy consumption (MWh)	**2024**	**%**
Total energy consumption from fossil sources	25,550	98.9%
Total energy consumption from renewable sources	284	1.1%
Total energy consumption	**25,834**	**100%**

[7] *For details of the target values for the year 2030, please refer to the section "Disclosure Requirement* E1-6 - Gross GHG emissions of scope 1, 2, 3 and total GHG emissions

Energy production (MWh)	**2024**	**%**
Energy from non-renewable sources	3,559	1.59%
Total energy generated from renewable sources	221,882	98.41%
Total energy generated	**225,441**	**100%**

For the metrics of the above data, it is specified that:

- electricity and gas consumption is provided by the sales companies and coincides with billing data;
- fuel consumption is provided by the companies supplying the various types of fuel via the purchasing department;
- The self-consumption of electricity is calculated by means of the difference between the energy produced and fed into the grid as recorded by a local operator on a monthly basis;
- the energy produced from renewable sources is supplied by a local operator who on a monthly basis records data from production, purchase and sale meters.

Below is the energy intensity indicator of the operations performed in the gas distribution and combined heat and power sectors as they are classified as having a high climate impact.

Energy intensity	**2024**
Total energy consumption of activities in high-impact sectors versus net revenues from these activities (MWh/monetary unit)	0.1187

The calculation of the energy intensity of the activities in the sectors with a high climate impact was performed considering, as the numerator, the total energy consumption in MWh of the gas distribution and cogeneration and heat production activities, equal to 19,830 MWh, and, as the denominator, the total net revenues of the same activities, equal to Euro 167,005 thousand, as illustrated in the table below.

Reconciliation of net revenue with balance sheet items		
Revenues (thousands of Euro)	*Balance Sheet Entries*	*2024*
Net revenues from activities in high climate impact sectors used to calculate energy intensity	Revenues from gas transport	141,068
	Revenues from electricity sales	155
	Revenues for connection services	1,079
	Revenues from distribution services	5,140
	Revenues from ARERA contributions	19,015
	Revenues from cogeneration*	548
	Total	**167,005**
Net revenue (Other)	Revenues from general services to Group companies	2,550
	Revenues from Wind-Hydro Power Plants	27,057
	Other revenues**	8,345
	Total	**37,953**
Total Net Revenues (Balance Sheet)	**Total Revenues**	**204,958**

*In the balance sheet, revenues from electricity sales and cogeneration revenues are part of Other revenues.
**Shown net of revenues from electricity and cogeneration. Total other revenues including "Revenues from electricity sales" and "Revenues from cogeneration" amounted to Euro 9,048 thousand.

The metrics were not independently audited by an external body.

Disclosure Requirement E1-6 - Gross GHG emissions of scope 1, 2, 3 and total GHG emissions

The tables below show the direct (scope 1) and indirect (scope 2) CO_2 emissions produced by the Ascopiave Group in 2024. The metrics have not been independently verified by an external body. It should be noted that the emissions refer to the perimeter of the consolidated accounting group (parent company and subsidiaries) and it was assumed that electricity was purchased only from non-renewable sources.

Emission reduction target	2024	**Goals and target years***	
	(base year)	**2025**	**2030**
Gross emissions of scope 1 GHG (tCO2eq)	**41,131**	**NA**	**NA**
Percentage of scope 1 GHG emissions covered by regulated emissions trading schemes (%)	**0**	**NA**	**NA**
Gross GHG emissions of scope 2 (tCO2eq) based on location	972	**NA**	**NA**
Gross market-based emissions of scope 2 GHG (tCO2eq)	1,557	**NA**	**NA**
Total GHG emissions (location-based method in scope 2)	42,103	**NA**	**NA**
Total GHG emissions (market-based method in scope 2)	42,688	**NA**	**NA**

* The table shows the total emissions only for the year 2024, for the following years, as the calculation of fugitive emissions is not a target, the whole value is not applicable. The table of targets (without fugitive emissions) is shown below.

Emission reduction target (excluding fugitive emissions)	**2024 (base year)**	**2028**	**2030**
Gross emissions of scope 1 GHG (tCO2eq)*	5,052	4,357	4,270
Gross Scope 2 GHG emissions (tCO2eq)*	1,557	1,343	1,316
Total GHG emissions (market-based method in scope 2) without fugitive emissions	6,609	5,700	5,586

Scope 1 GHG emissions (tCO_2eq)	2024
Emissions from stationary combustion	5,052
Fugitive emissions	36,079
Gross emissions of scope 1 GHG (tCO2eq)*	**41,131**

*Emissions of the consolidated accounting group (parent company and subsidiaries). 0% of scope 1 GHG emissions are covered by regulated emissions trading schemes.

Intensity of GHG emissions	2024
Total GHG emissions (location-based) vs. net revenues (tCO2eq/monetary unit)	0.2055
Total GHG emissions (market-based) versus net revenues (tCO2eq/monetary unit)	0.2083

The GHG intensity was calculated by considering, as numerator, the total GHG emissions, both location-based and market-based, equal to 42,103 tCO2eq the former and 42,688 tCO2eq the latter, and as denominator, the total net revenues[8] , equal to Euro 204,958 thousand, as illustrated in the table 'Reconciliation of net revenues with balance sheet items' in the previous paragraph.

During the year, a total of 10,163 km of the network were inspected, out of a total of approximately 14,719 km managed, guaranteeing a coverage of 69.13%. Of this monitoring, 9,209 km, or 62.6% of the total network, were inspected with the use of in-house Picarro vehicles, whose technology enables the enhancement of fugitive emissions.

All data for the calculation of the values to 2024 have been identified from official sources that are made available by national and international institutes. Here are the main ones:

- The 2024 electricity and gas consumption data were extracted from the billing system of the energy supply companies. The indicators and reference sources listed below referring to 2024 have been published by the relevant bodies only in part;
- Data taken from the publication of 13/01/2025 by the MISE "Monitoring of greenhouse gas emissions for the period (2021-2023) for stationary plants" https://www.ets.minambiente.it/News#459-pubblicazione-parametri-standard-nazionali-anno-2024;
- Figure taken from the UK Government GHG Conversion Factors for Company Reporting (source: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024);
- Year 2024: Italy's national 'residual mix' emission factor of 500.57 gCO2/kWh (source: European Residual Mixes 2023 Version 1.0, 2024-05-30);
- For the emission factors of national electricity production and consumption (g CO2/kWh), the ISPRA report 404/2024 of 05/09/2024 "Efficiency and decarbonisation indicators in Italy and in the biggest European Countries. Edition 2024'.

8 For more details on the items of the Group's total revenues, please refer to the item Revenues in the consolidated income statement

- For conversion factors, Annex IV of Directive 2012-27-EU was taken as a reference;
- For the conversion factor of fugitive methane emissions (GWP values for 100-year time line), the Fifth Assessment Report (AR5) was taken as a reference.

The quantification of fugitive emissions generated by methane gas distribution plants is calculated by the supplier Picarro through a series of assumptions and analyses defined by Veritas protocols in line with the OGMP 2.0 programme, which take into consideration the results of vehicle surveys, the results of investigations of detected signals and the repair of identified leaks. Once the quantity of emissions generated by the portions of the installation actually inspected has been determined, through a linear extrapolation the quantity of fugitive emissions that could be generated by the non-investigated assets is estimated with a margin of uncertainty deriving from the measurements made (+/- 3%) and from the characteristics of the sample (from -9% to + 11%).

The metrics were not independently audited by an external body.

Fugitive emissions

In the gas distribution sector, fugitive emissions are a major environmental problem, as they consist of uncontrolled gas leaks into the atmosphere from joints, valves and pipelines, with possible repercussions on the environment, safety and system efficiency.

To address this critical issue, the Group decided to adopt a technology, called Picarro Surveyor, which is one of the most innovative systems for preventive pipeline monitoring and leak detection, based on CRDS (Cavity Ring - Down Spectroscopy) technology.

The system consists of a series of apparatuses and devices installed on a special vehicle that, combined with the use of sophisticated analysis software, guarantee a sensitivity in detecting the presence of gas in the air that is at least three orders of magnitude higher than traditional systems (parts per billion versus parts per million). In addition, therefore, to the extreme sensitivity of detection, another distinguishing feature is the amplitude of the areas subjected to inspection per route, allowing the detection of the smallest dispersions at a distance from the vehicle used for the inspection, thus extending the detection to 200 metres from the axis of the vehicle. The system also allows the precise measurement of fugitive emissions for each individual signal detected.

The Group currently has three vehicles equipped with this technology.

By adopting this system, the company aims to:

- improve the safety conditions of the distribution service for the increased effectiveness of the inspection system.
- improve the metrics for planning network reclamation plans and be able to implement a predictive system for the replacement of leaking pipes.
- contribute to the gradual reduction of methane gas emissions into the atmosphere, in line with the goals set by the EU declined at national level as part of the National Integrated Energy and Climate Plan (NIPEC 2030). The three vehicles inspected about 9,209 kilometres of network during 2024.

Monitoring fugitive emissions on the same inspected area	2023	2024	variation
Total emissions m3/year	587,853	560,560	4.6%

The table shows the comparison of the algebraic sum of the emissions detected in the same areas inspected with Picarro technology in both 2023 and 2024 (km 6,121). This monitoring showed a positive trend compared to the previous year, with a reduction in fugitive emissions of 4.6 per cent

E5 - Circular Economy

Managing Impacts, Risks and Opportunities

E5-1 - Policies related to resource use and the circular economy

Ascopiave considers the circular economy a strategic element to reduce environmental impact and improve efficiency in the use of resources. The Group's commitment in this area stems from the awareness that environmental sustainability is a fundamental principle of corporate management and a determining factor in the creation of long-term value.

In the context of the circular economy, the Group adopts an approach aimed at continuous monitoring of material impacts, risks and opportunities (IRO). In particular, the first Double Materiality Assessment revealed the following impacts and risks as material.

Impacts

- Generation of waste from plant construction activities.
- Generation of hazardous waste.
- Promoting efficiency and reducing waste thanks to a new printing methodology that reduces paper usage.

Risks

- High dependence on gas for continuity of distribution activities.

As previously mentioned in section E1 - Climate Change, the Group has not yet formalised a specific policy describing its approach to environmental goals. In this regard, it should be noted that, during 2025, the Group will undertake to implement a dedicated document defining policies and actions, including on the circular economy.

E5-2 - Actions and resources related to resource use and the circular economy

Ascopiave integrates circular economy principles into its operations, aiming to minimise the use of virgin resources and maximise recycling and reuse.

The Group is committed to improving the infrastructure and contributing to the sustainable reconfiguration of the field in which it operates, increasing efficiency in the use of resources and adopting technologies and industrial processes with a lower environmental impact. In this context, the meters used are made of recyclable materials, promoting the circular economy through the sustainable use of renewable resources. At the same time, the Group implements an eco-friendly management of chemicals and waste during their life cycle, in compliance with international regulatory frameworks, significantly reducing the release of substances into the air, water and soil, with the aim of minimising the negative impact on human health and the environment.

Advanced operating systems and dedicated resources are employed to continuously monitor the efficiency of processes, enabling the collection and analysis of data on waste production, resource consumption and recycling and reuse initiatives. This approach is complemented by periodic updating of the environmental analysis, conducted in line with the Environmental Management System (EMS), to ensure continuous monitoring of environmental impacts.

The waste produced in the various operational phases is collected in containers appropriate to its type (drums, bins, sacks, boxes, etc.), correctly labelled and stored in areas intended for temporary storage in the reference warehouses, in order to prevent dispersion in the environment, in compliance with the terms set for temporary storage chosen by the producer: quarterly or annually. Only the warehouse located at the registered office of AP Reti Gas S.p.A. is subject to the obligation of quarterly disposal of its temporary storage. All other warehouses follow the annual deadline.

The waste is delivered to the authorised disposal or recovery plant by authorised transporters: once the suppliers have been qualified with the verification of the prescribed authorisations, the periodic renewal of authorisations is monitored and updated using the dedicated waste management software.

Disposal of Spent Toner Cartridges

Exhausted toner cartridges are disposed of through the use of ECOBOX, pursuant to a specific Operating Instruction incorporated in the Integrated Management System. This practice is adopted by all the Group's companies, with the exception of Asco Power, which use rental printers contracted by the Parent Company

The printer management service contract provides for, among other things:

- the use of environmentally friendly toners;
- a uniform system for the collection service of spent toner cartridges and their collection trays, through an agreement with private companies indicated by the service provider.

The use of ECOBOX allows Administrative Offices and Local Units to avoid the management of their waste as 'special waste', excluding the obligation to register this type of waste in the Loading and Unloading Register. However, it is guaranteed that the waste must be disposed of within one year from the date of production.

The above activities refer to the Group's own operations and are performed on a continuous basis, covering the entire production cycle and waste management, with no defined time limits for their completion.

Metrics and Targets

E5-3 - Resource Use and Circular Economy Targets

Ascopiave takes a sustainable approach to materials and waste management, optimising the use of resources and reducing waste production.

The target set by the Group in relation to the circular economy is depicted below:

- **Waste recovery**: the Group is committed to maintaining the standards already achieved of sending more than 99% of waste suitable for recovery as achieved in previous years

The target relates to the Group's ambition to maintain its current waste recovery performance. This target has not been set due to a legal obligation and, with regard to the waste hierarchy, relates to recovery. Progress is monitored through the metrics in the E5-5 reporting requirement.

E5-4 - Incoming Resource Flows

In their operations, Ascopiave Group companies use various essential materials, including piping, meters, valves and equipment necessary for reducing gas pressure. Another important category of materials are the substances used for gas odorization, including Tetrahydrothiophene (THT) and Tert-Butyl-Mercaptan (TBM). The use of these materials and substances is essential to ensure the proper functioning and safety of plants, while also ensuring compliance with current regulations in the energy sector.

The table below illustrate the main categories of technical materials purchased during the reporting period, based on direct measurements corresponding to stock records. The metrics are expressed in the same unit of measurement used in the records and are not derived from estimates. Furthermore, the data has not been independently verified by an external body.

Material	2024
Meters (No.)	100,677
Reduction units and equipment for reducing plant pressure (No.)	1,687
Piping (metres)	70,886
Valves (No.)	249

Odorants (Kg)	2024
Tetrahydrothiophene (THT)	26,967
Tert-Butyl Mercaptan (TBM)	16,772
Total	**43,739**

The metrics were not independently audited by an external body.

Currently, the Group does not use materials of biological origin or secondary components from reuse or recycling.

E5-5 - Resource outflows

Waste

In 2024, a total of 634,955 kg of waste was generated[9]

Hazardous waste by destination (kg)	2024	%
Waste for Disposal		
Incineration	0	0%
Landfill Disposal	0	0%
Other Disposal Operations	313	**4.3%**
Total disposal	**313**	**4.3%**
Waste for recovery		
Preparation for re-use	0	0%
Recycling	0	0%
Other recovery operations	**6,972**	**95.7%**
Total recovery	**6,972**	**95.7%**
Total hazardous waste	**7,285**	**100%**

Non-hazardous waste by destination (kg)	2024	%
Waste for Disposal		
Incineration	0	0%
Landfill Disposal	0	0%
Other Disposal Operations	78	0.012%
Total disposal	78	0.012%
Waste for recovery		
Preparation for re-use	0	0%
Recycling	0	0%
Other recovery operations	627,592	**99.98%**
Total recovery	627,592	**99.98%**
Total non-hazardous waste	**627,670**	**100%**

The metrics were not independently audited by an external body.

Ascopiave adopts structured methodologies for calculating and monitoring waste, using direct measurements and certified systems that guarantee accuracy, uniformity and reliability, in compliance with recognised standards. To ensure efficient and uniform waste management in Ascopiave Group companies, dedicated software has been implemented that standardises procedures for recording, filing documents and preparing annual MUD declarations.

[9] The data come from direct measurements of the weight of waste produced.

Waste production and treatment are monitored through specific indicators, integrated into the environmental impact matrix attached to the analysis of each company, including the parent company and the ISO 14001-certified gas distribution companies.

The main categories of waste managed by the Group in 2024, in addition to end-of-life equipment and ferrous waste, consist mainly of soil and rocks, deriving from excavation operations performed by AP Reti Gas Nord Est S.r.l., which has an in-house maintenance team that performs limited work on gas networks. Metal materials also include aluminium and components removed from obsolete equipment. In addition, there is welding waste, worn components, filtration waste, batteries and pressurised gas.

With regard to packaging, the most relevant categories include paper and cardboard packaging, mixed-material packaging, plastics and wood. Finally, among cellulose-based waste, paper and cardboard account for a significant share.

Some types of waste handled contain hazardous substances that require specific treatment, such as mineral oil waste from engines, gears and lubrication, as well as industrial emulsions. Contaminated metal packaging, including that containing hazardous solid porous matrices, such as asbestos, and empty pressure containers are present.

This also includes absorbents, filter materials, oil filters, contaminated rags and protective clothing, as well as antifreeze liquids containing hazardous substances. Finally, discarded equipment with hazardous components is handled.

Of the total waste produced, 7,285 kg is hazardous waste. The Group does not produce radioactive waste.

CHAPTER 3 - SOCIAL INFORMATION

S1 - Own workforce

Managing Impacts, Risks and Opportunities

S1-1 Policies related to own labour force

Ascopiave's policies governing the management of its own workforce aim to address the impacts, risks and opportunities identified by the Group through the Double Materiality *Assessment*. These policies are applied to all employees and non-employees. The highest governing body responsible for the implementation of policies governing its own workforce is the Board of Directors of Ascopiave S.p.A., which ensures that they are integrated into the company's strategies and comply with the set goals. The policies are made available on the company intranet.

Impacts

- Job creation and secure employment for employees.
- Staff development, talent retention and key knowledge development.
- Improved employee welfare through work-life balance policies, such as flexible entry and exit times and part-time work for parents.
- Improved employee welfare through targeted corporate welfare programmes.
- Increased corporate security through procedures governing access and operations.
- Increased safety at work also through certification of the health and safety system.
- Promotion of an inclusive work environment through the adoption of principles of fairness, non-discrimination and equal opportunities for all employees, in compliance with current legislation.
- Enhancement of human capital through investment in training and skills development of employees (e.g. environmental issues).
- Safeguarding the security and privacy of employees by protecting personal data pursuant to the GDPR.

Risks

- Risk of a law suit by employees due to accidents at work.
- Dearth of/inadequate supervision and compliance with OSH regulations (sanctions).
- The uncertainty associated with the awarding of concessions may lead to staff downsizing decisions, generating a potential loss of key competencies.
- Conflicts with trade unions.
- Risk of under/overstaffing.
- Cyber-Attack resulting in the unavailability/loss of Confidentiality/Integrity of information.

Opportunities

- Reduced absenteeism costs and increased productivity through initiatives to enhance employees' physical and mental well-being, including psychological support and work flexibility.
- Reduced costs by monitoring health and safety policies to ensure a reduction in risks due to accidents, resulting in increased productivity and employee satisfaction.

Personnel selection at Ascopiave is performed in compliance with the dedicated company policy, based on metrics of merit and competence. The "Personnel selection policy of the Ascopiave Group" is approved by the Board of Directors of Ascopiave S.p.A. and is applied to all the companies of the Group, within the scope of the areas in which management and coordination activities are performed. The policy explicitly states the cardinal principles on which it is based, such as inclusion, respect and enhancement of people and diversity, and respect for rules. Reference is made to combating relevant phenomena in the area of respect for human rights, such as the exploitation of workers (especially child labour), harassment and discrimination in the workplace. The focus is also placed on maximising safety and health in the working environment and respect for working conditions and the psycho-physical integrity of the worker.

The policy defines the rules and processes for recruiting the Group's workforce and is addressed to all the corporate structures and third parties involved in the selection process. The metrics of transparency and fairness in the processes are guaranteed by adequate publicity of the selection, by the establishment of collegial selection committees with high professionalism and competence, and by transparent mechanisms for verifying the candidates' requirements.

The Group has also adopted the 'Human Resources Management' policy with the aim of defining the professional profiles and skills of personnel and the responsibilities and operating methods for planning, scheduling and evaluating the training operations performed by personnel.

The Group values and protects its resources, promoting inclusion, safety and professional development in a fair working environment free from discrimination, including harassment based on ethnic origin, gender, colour, sexual orientation, gender identity, disability, age, religion, political opinions and social background. The company culture is based on respect, valuing talent and active participation, ensuring equal opportunities, equal pay and support for family needs.

Ascopiave is constantly committed to creating an inclusive work environment, promoting initiatives to support staff wellbeing. The Group supports its employees and their families, offering benefits aimed at improving the balance between work and private life, thus promoting a more serene and sustainable working environment.

Recognising that people play a central role in the company's growth and the quality of the service offered, Ascopiave invests in training and skills development, encouraging the sharing of ideas and teamwork. Empowerment at all levels is a key principle, promoted through respect for roles, the relationship between managers and employees and cross-functional team work.

The Group operates in full compliance with regulations on employment, occupational safety and the protection of workers' rights.

Respect for **human rights** is a fundamental principle in Ascopiave's approach to its people. Although it has not adopted a model of international standards, the Group implements principles that embody universally recognised values with regard to respect for human rights and operates in full compliance with domestic law, which protects these rights as far back as the constitutional charter.

The Group's Code of Conduct defines the rules of conduct for personnel involved in activities subject to functional unbundling, with the aim of promoting competition, efficiency and service quality. The Code aims to ensure that the gas distribution public service activity is managed in a neutral and non-discriminatory manner, in compliance with current regulations and the provisions of the regulatory authority (ARERA).

The Code of Ethics[10] , an integral part of Models 231 and uniform for the entire Group, constitutes a tool for defining the set of ethical values and corporate culture that Ascopiave recognises, accepts and shares, as well as the responsibilities that the Group assumes in its relations with internal and external parties. The document places 'sustainable success' at the centre of the corporate culture that the Group pursues as the creation of long-term value for the benefit of its shareholders and other stakeholders that are important to the Company (including customers, employees, shareholders, suppliers, commercial and financial partners, institutions, trade associations and trade union

[10] For more details, please refer to Chapter 4 - Governance Information, Section 'G1 - Business Conduct' of this document.

representatives, communities in the areas where the companies operate, etc.). With regard to respecting and valuing people, the Code of Ethics explicitly states and reiterates the prohibition of any form of discrimination and promotes the inclusion and valorisation of diversity. The Code of Ethics states that Ascopiave Group employees are required, as part of their duties, to participate in the process of risk prevention, environmental protection and protection of their own health and safety, that of their colleagues and third parties. All Group companies adhere to the Code of Ethics and undertake to share its values among their employees. The last training/updating activity (addressed to all Group employees) referring, specifically, to the updating of the Code of Ethics and the Whistleblowing Procedure took place in 2023. All new employees receive training on the Code of Ethics and Model 231, among others.

The Ascopiave Group's Health and Safety guidelines are addressed to all employees and are aimed at ensuring a safe and healthy working environment, preventing risks and protecting the health of employees and collaborators. The key elements of the document are:

- Pursuit of goals to increase the economic value of the company, with full respect for safety;
- Carrying out activities in full compliance with rules and regulations, as well as rules protecting the health and safety of workers;
- Pursuing continuous training of personnel, so that they are aware of the importance of working pursuant to applicable laws and regulations, as well as the consequences that may affect their safety;
- Defining and reviewing goals for quality, safety and environment, maintaining an adequate control system and providing resources for their achievement.

In implementing these guidelines, the Ascopiave Group has defined guidelines common to all Group companies to promote a Safety Management System that meets the metrics of the UNI ISO 45001 standard, capable of guaranteeing not only compliance with mandatory standards but also continuous improvement, in line with the goals of the company's safety policy. The system is fully integrated with those for Quality and the Environment, guaranteeing a shared working culture, marked by professionalism and efficiency. The company ensures adequate resources to protect the health of employees by promoting individual responsibility and risk awareness. The guidelines are made available to all employees, consultants and collaborators by posting them on notice boards and the company intranet. The document is also made available to all other interested parties through publication on the company website.

The protection of personal data is an aspect of primary importance for the Ascopiave Group, which has implemented a series of measures aimed at ensuring organisational compliance with current privacy regulations, first of all by adopting dedicated procedures, such as the general **Privacy Policy**, made available to all stakeholders in the dedicated sections of the institutional websites of each Group company, and detailed Privacy Policies

All Group employees have attended an in-depth course on privacy issues, with a certificate of attendance issued upon successful completion of a final test. Moreover, the same course is compulsorily provided for every new employee.

S1-2 Processes for engaging own workforce and employee representatives on impacts

The involvement of the company's own workforce in the activities aimed at managing the relevant impacts is realised in the Group's industrial relations system, regulated by the National Collective Agreements applied and the regulations in force. Workers participate with their representatives in consultation and dialogue processes, integrating employees' perspectives into the company's activities. The stipulation of company agreements shows a conscious and targeted participation with respect to labour issues and related sustainability issues.

The initiation of discussions on the different company issues, with the Human Resources and Organisation Department as the main company interlocutor, can take place on the initiative of the company or the workers' representatives or according to the specific provisions of the bargaining agreement.

S1-4 Actions on relevant impacts on own workforce and approaches for managing relevant risks and pursuing relevant opportunities in relation to own workforce, as well as effectiveness of such actions

The Group, through actions of dialogue and discussion with its own workforce, full adherence to applicable legislation and systems for workplace safety prevention and management, ensures that its practices do not contribute to causing material negative impacts on its own workforce. Actions aimed at managing material impacts, risks and opportunities on the Group's own workforce are outlined below, and cover initiatives aimed at producing positive impacts, including valuing people, promoting an inclusive environment and protecting health and safety in the workplace. These actions also aim to mitigate some of the identified risks and seize opportunities for development, while improving employee welfare and working conditions.

- **Actions aimed at obtaining and maintaining Health and Safety Certification**: ISO 45001:2018 - Occupational Health and Safety Management Systems - Group certification was achieved in October 2023. The corporate certification applies to AP Reti Gas S.p.A. and Romeo Gas S.p.A. (now AP Reti Gas Nord Ovest S.p.A.).

  The company planned to start certification activities in 2025 in order to achieve 100 per cent coverage of perimeter companies by the end of the year.

- **Training**: Continuous training is provided to employees and those specifically dedicated to safety management, such as supervisors and managers, in order to ensure constant updating of skills and on sustainability issues related to occupational health and safety.

- **Incentive and development tools**: additional measures to those deriving from organisational changes and/or contractual automatisms ("non-contractual" measures), which enhance individual professionalism, are defined and planned on an annual basis. Ascopiave has equipped itself with a streamlined and efficient incentive system, through which personnel management figures are periodically assessed: the *Short Term* Incentive system is an incentive system based on goals (MBO) that links the payment of a variable bonus to the achievement of company and individual goals. It is subject to the approval of the Board of Directors and aims to consolidate the commitment of the entire organisation to the strategic guidelines and to promote individual development, enhancing staff empowerment and growth, according to objective and fair metrics.

  In line with the Ascopiave Group's remuneration policy, in 2024, Long Term Incentive Plans were approved, with a three-year duration and based on performance indicators and the Group's performance, in favour of executive directors and management personnel. The adoption of the Plans called "Long Term Incentive" for the three-year period 2024-2026, is aimed at incentivising and retaining the loyalty of the directors and employees of the Ascopiave Group who occupy positions of greater responsibility.

- **Facilitating work-life balance**: with a second-level contractual agreement signed in 2012, and subsequently supplemented, the company provides for flexible entry and exit on the working day and allows working mothers and fathers to obtain part-time working hours and/or a more conciliatory work schedule until their children turn fourteen.

- **Employee benefits**: the Ascopiave group has defined second-level agreements with the trade unions of the individual companies that provide for the assignment to employees of a result bonus, commensurate with the achievement of a system of profitability, efficiency, productivity and quality indicators. The agreements envisage the possibility for the beneficiary to receive the bonus in the form of Corporate Welfare services, benefiting from further tax and contribution advantages. In addition, in order to make the management of the provision of services effective, the Group has implemented an internal platform for the use of services. The platform offers a wide range of services, ranging from education and training, social security and health benefits, to the purchase of other goods and services from suppliers accredited with the platform. The first implementation of the platform dates back to the year 2017. Over the course of this decade, the company has gradually increased the services available on the platform. Furthermore, as additional corporate welfare measures, the Group offers its employees the opportunity to join:

  - contractual supplementary pension funds;
  - Supplementary Health Care Fund, with a contribution from the Group for staff in the gas-water contract;

- welfare services platform, which allows employees to dispose of the amount of their 2024 performance bonus, increased by 15%, for the purchase or reimbursement of welfare services (supplementary pension, health services, cultural services, baby-sitting, etc.).

The company monitors the effectiveness of the above-mentioned actions through the analysis of some indicators, such as the measurement of the use of the services of the Corporate Welfare platform, the number of accesses to work-life balance opportunities offered by existing territorial agreements, the coverage of Management Systems with respect to the company population.

Metrics and Targets[11]

S1-5 - Goals related to the management of relevant negative impacts, the enhancement of positive impacts and the management of relevant risks and opportunities

The Group's ambitions towards sustainable development and employee welfare, as defined in corporate policies, are pursued through a series of strategic initiatives aimed at enhancing human resources, promoting safety in the workplace and ensuring an inclusive and stimulating working environment.

The targets, set to 2028[12] , reflect a vision oriented towards professional and personal growth, while ensuring a balanced and sustainable management of human resources.

In line with its strategies and the evolution of the regulatory and market environment, as well as the constant improvement of its approach to sustainability, Ascopiave has defined measurable and results-oriented goals. The goals set by the Company to date include the following areas:

- **Staff training**: target of 29 hours/year of training per employee by enriching the e-learning training offer available to Group employees, and by further implementing a dedicated training platform. By 2024, the metric for average hours of training provided to employees is 28.91.
- **Worker safety**: the Group considers worker protection to be of primary importance, setting itself the goal of maintaining high safety levels, promoting the integration of safety in all company activities and focusing on continuous staff training. Therefore, by 2025, the Group is committed to certifying all companies with operating staff to the Occupational Health and Safety Management System (ISO 45001), including 100% of staff (by the end of 2024, 97% of Group staff will already be certified).

The goals referring to the Company's own workforce indicated above are approved by the Board of Directors of Ascopiave S.p.A. as part of the definition of the Group's Strategic Plan, within a system of interconnected goals, in order to realise the Company's strategy in the medium-long term. In the definition of these goals, the departments and function referents are involved for the issues they are responsible for.

The company believes that training is an essential element for professional growth, retraining and the creation of the new roles required by the technological and energy transition. The target for average training hours is intended to ensure a high qualitative and quantitative level for workforce development. The measure is based on a 10 per cent increase in average training hours over the last three years.

With reference to the objective of disseminating the Occupational Health and Safety Management System, the measure was defined with a view to guaranteeing the application of common and structured processes for the best management of Occupational Health and Safety issues, covering all the Group's workers.

[11] The metrics reported in this section have not been independently audited by an external body.
[12] The base year value for the own workforce targets is 2024.

S1-6 - Characteristics of the undertaking's employees[13]

As at 31 December 2024, the human resources employed in the Ascopiave Group amounted to 495, all of them employed in Italy

Gender	Number of employees
Men	388
Women	107
Total employees	**495**

Number of employees by gender and type of contract	Men	Women
Permanent	388	107
Temporary	-	-
Total	**388**	**107**

Number of employees by gender and type of employment	Men	Women
Full-time	383	63
Part-time	5	44
Total	**388**	**107**

Breakdown by region					
	Veneto	Lombardy	Friuli-Venezia Giulia	Emilia-Romagna	Piedmont
Type of contract					
Permanent	393	65	24	8	5
Temporary	-	-	-	-	-
Total	**393**	**65**	**24**	**8**	**5**
Type of use					
Full-time	354	57	23	7	5
Part-time	39	8	1	1	0
Total	**393**	**65**	**24**	**8**	**5**

One element that highlights the Group's solidity and commitment to offering stable and continuous employment is the turnover rate, which is low and physiological.

The number of employees leaving the Group was 38, with an outgoing turnover rate of 7.68 %.[14]

[13] The employee figures reported in this section are given in headcount and refer to the end of the period (31 December 2024). The data come from the management system, which uses actual data, and no estimates were used. Furthermore, the figures for the total workforce are the same as those shown in the balance sheet

[14] The data provided refer to the actual number of persons (heads) (no estimates are made). The stock figure refers to the number of persons in force at 31/12. With regard to terminations, persons in force during the year are taken into account (terminations at 31/12 are then counted in the following year, since the person is still in force on 31/12)

S1-8 - Coverage of collective bargaining and social dialogue

All resources employed by the Ascopiave group are covered by the CCNL (100%) and all work in plants with employee representatives (100%).

Reporting model for collective bargaining coverage and social dialogue			
	Collective bargaining coverage		Social Dialogue
Coverage rate	Employees - EEA (for countries with > 50 imp. representing > 10% of total employees)	Employees - non-EEA (estimate for regions with > 50 imp. representing > 10% of total employees)	Workplace Representation (EEA only) (for countries with > 50 imp. representing > 10% of total employees)
0-19%	-	-	-
20-39%	-	-	-
40-59%	-	-	-
60-79%	-	-	-
80-100%	Italy	-	Italy

S1-9 - Diversity Metrics

Senior management (I and II level under the Board of Directors)	No.	%
Men	8	88.8%
Women	1	11.1%
Total	**9**	**100%**

Distribution of employees by age group	<30	30-50 inclusive	>50	Total
No. of employees	28	247	220	495

S1-10 - Adequate wages

The National Labour Contract for the sector, signed by the main employers' associations and the most representative trade union confederations, is applied to all Group employees (100%). The agreement of the social partners in the application of the system of institutes provided for by the contract goes to guarantee the adequacy of the employee's remuneration.

S1-11 - Social Protection

All Ascopiave employees are covered by forms of social protection by the competent institutions with reference to illness, unemployment, accidents at work, parental leave and retirement, pursuant to the metrics and through the measures provided for by current legislation.

In addition to the application of the compulsory accident insurance (INAIL), life and disability insurance for occupational accidents is in force for all employees, according to national contractual provisions.

In addition to compulsory social security contributions, the company encourages, by means of an additional contribution at its own expense, voluntary contributions to supplementary social security in negotiated funds, pursuant to the conditions laid down by national bargaining. Within the Corporate Welfare service platform there is also the opportunity to allocate welfare amounts to complementary social security.

S1-12 - Persons with disabilities

The Group operates in full compliance with current legislation on the right to work of people with disabilities and in line with its aims of promoting the inclusion and integration of disabled people in the world of work. With reference to workers directly employed by the Company, the percentage of employees with disabilities stands at 4.85%[15] . The percentage refers to 1.82% female and 3.03% male.

S1-13 - Training and skills development metrics

Ascopiave pays particular attention to the development and growth of the human capital employed in the Group's activities, ensuring training and professional development opportunities. In 2024, the Group recorded an average of 28.91 hours of training per employee. The gender distribution shows an average of 20 hours for female employees and 31.36 hours for male employees.

In addition, on an annual basis, management activates an internal consultation process with each organisational unit manager to define the performance and development review of individual workers. This activity, which refers to 100% of the staff, takes the form of drawing up proposals for salary advancement and career development, to be approved within the Group's Annual Budget. With reference to the *Performance Appraisal* process, included within the short and long-term variable incentive systems, all workers identified for the assignment of the incentive were involved in the process and represent 8.5% of employees. With reference to gender, the percentages of participation in the incentive scheme in relation to the respective share of the company population were 5.61% for the female gender and 9.28% for the male gender . [16]

S1-14 - Health and safety metrics

Health and safety metrics	2024	
	No.	%
Percentage of own workers covered by the company's health and safety management system, based on legal requirements and/or recognised standards or guidelines *	-	97%
Number of deaths due to work-related injuries and illnesses	-	-
Number and rate of recordable occupational accidents (excluding commuting accidents)	3	3.74
Number of cases of work-related illnesses that can be registered, subject to legal restrictions on data collection (with regard to company employees)	-	-
Number of days lost due to work-related injuries, work-related illnesses and deaths as a result of illnesses (as far as company employees are concerned)	64	-
Number of deaths due to work-related injuries and illnesses (workers operating on company sites, such as workers in the value chain if they operate on company sites)	-	-

* the percentage was calculated as a ratio of the number of employees of Group companies covered by ISO 45001 certification

[15] Excluded from the count are disabled workers with difficulties of insertion in the ordinary work cycle who are employed by social cooperatives on the basis of specific agreements for their employment, within the framework of any service orders conferred (agreements pursuant to Art. 14 of Legislative Decree no. 276 of 10 September 2003).
[16] Data are calculated separately as the ratio of the number of male participants to the total number of male employees, and of the number of female participants to the total number of female employees

S1-16 - Remuneration metrics (pay gap and total remuneration)

The gender pay gap stands at 5.56%. This figure does not exclude the tails of the highest and lowest pay values among employees. The normalised value stands at 1.02%.

The ratio of the annual total remuneration of the highest paid person to the median annual total remuneration of all employees (excluding the aforementioned person) is 19.05.

S1-17 - Major human rights incidents, complaints and impacts

In 2024, no incidents of discrimination, no harassment and no serious human rights incidents were reported. Therefore, there are no charges against Group companies for fines, penalties or compensation for damages in relation to these issues.

S2 - Workers in the Value Chain

Ascopiave attaches great importance to the protection of workers' rights along the entire value chain, considering them key stakeholders in the pursuit of sustainable success. The Company adopts an approach based on responsibility and transparency, which guarantees respect for human rights and promotes a safe and inclusive working environment.

Strategy

The Double Materiality Assessment identified significant impacts related to workers in the value chain, specifically with regard to issues of sustainability, working conditions and equal treatment and opportunities, namely:

- improvement of safety conditions for personnel of supplier companies through procedures regulating access and operations inside Ascopiave Group premises and plants;
- protection of and respect for human rights, including through due diligence on the activities of suppliers and corporate partners;
- Increased safety at work through targeted controls for suppliers working on Ascopiave Group construction sites.

The Group integrates these issues into its strategy, guaranteeing compliance with safety conditions also for the personnel of supplier companies operating within its premises and plants, by preparing appropriate documentation regulating their access and operations.

Goals

While recognising the importance of these issues, no targets with precise deadlines have been set at present in relation to the sustainability issues identified.

Policies

Ascopiave's commitment to workers in the value chain has not yet been translated into a dedicated policy. At present, the Group's approach is based on the provisions of the Code of Ethics, which apply without exception to all those involved in achieving the company's goals, including consultants, proxies, agents, financial and business partners, suppliers and other operators.

Ascopiave, moreover, as illustrated in the chapter on 'Business Conduct', to which we refer you for more details, uses fundamental tools such as the Organisation and Management Model (MOG) and the Whistleblowing Procedure, which define principles and practices to protect not only direct employees, but also all those who collaborate to achieve the company's goals.

Actions

The Group has adopted specific measures to monitor, prevent and, if necessary, mitigate or eliminate negative impacts on workers in the value chain. These include procedures to ensure safety at construction sites and the Whistleblowing management system, aimed at protecting workers' rights and improving their working conditions.

- **Preparation of procedures regulating access to and operation of work-sites**: in order to guarantee an improvement in safety conditions also for the personnel of supplier companies working inside the Group's sites and plants, special procedures have been prepared to regulate their access and operation. Third-party companies report to Ascopiave any accidents that occur to their personnel while they are working at the sites of Group companies. Labour relations with third parties that are not directly employed by the Ascopiave Group are regulated by Article 26 of Legislative Decree 81/08 on the subject of obligations connected to tender, work or supply contracts. The Parent Company and the companies of the Group certified ISO 45001:2018, also monitor the accidents of workers of third-party companies occurring at their work-sites through specific requests or, in the case of the Distribution companies, on the basis of the provisions of the "Conditions for Contracts" sheet.

- **Implementation of the Whistleblowing Procedure:** it also allows workers in the value chain to report, in a confidential and protected manner, any irregularities or violations, helping to ensure a safer, fairer and more ethical and regulatory-compliant working environment, as well as to promote a culture of legality and accountability along the entire value chain.

S3 - Communities concerned

The Ascopiave Group operates with a strong focus on the territory and the local community, integrating economic growth goals with the sustainable development of the territory. The Group is committed to creating value in the social and economic context in which it operates, supporting projects and initiatives proposed by municipalities or associations in the social, cultural, sports, prevention and health promotion of citizens, and support in emergency situations; for the disbursement of grants for initiatives with a social impact.

Strategy

The Double Materiality *Assessment* highlighted the relevance of the issue of "Affected Communities" through a number of significant impacts and risks.

Impacts

- Supporting local economic development through the recruitment and involvement of local suppliers and performers, when economically viable.
- Promoting the development of the territory.
- Relations with companies, universities, start-ups, positive synergies with academia and innovation.
- Raising awareness in the community about energy-saving, safety and environmental protection.
- Contribution to community welfare through social initiatives.
- Ensuring high safety standards through the quality and efficiency of the services offered by the group companies.

Risks

- Damage to third parties resulting from gas-related emergencies or accidents (malicious or culpable) or from the operation of construction sites and facilities.

The Group integrates this issue into its corporate strategy, actively promoting the economic and social development of the region. The involvement of local suppliers and contractors, when sustainable, fosters employment and strengthens the local productive fabric.

At the same time, through targeted initiatives and policies, the Group is committed to raising social quality standards, supporting the well-being of communities by strengthening social cohesion.

Goals

Although Ascopiave has not set specific goals governing the impact on the communities concerned, it has always made closeness to the territory one of its main prerogatives, and this can be seen not only in the services it provides, but also in the support it gives to meet the needs of the communities it serves.

Policies

Ascopiave's commitment to the community is expressed through support to non-profit groups and associations. This commitment is regulated by the "Policy on donations, community contributions and social impact initiatives", updated in 2023. This guarantees a fair and structured disbursement of contributions, establishing differentiated thresholds between the Parent Company and subsidiaries, with any overruns subject to approval by the Board of Directors. Initiatives are assessed annually to meet the needs of local communities, ensuring support for a variety of projects. Each Group company is also required to draw up a report on sponsorships, ensuring transparency and monitoring of operations performed.

Actions

Ascopiave dialogues with the territory through various forms, including activities in support of health, prevention, the environment and emergencies, as well as striving to manage its processes according to metrics of environmental protection and efficiency, controlling the impact of its activities.

Plant safety and service continuity are priorities for the Group, which has equipped itself with a 'Gas Emergency and Accident Management Plan' with which it defines the responsibilities, goals, activities, organisational structure and methods for collecting, recording and transmitting the information necessary to ensure the rapid and effective management of emergency or accident situations involving the gas distribution service.

As part of its social commitment, Ascopiave collaborates with local organisations to implement community support projects. The Group actively contributes to training and the purchase of equipment for the removal of architectural barriers, promotes initiatives for the prevention of social hardship and supports medical-scientific research. It also develops medium- and long-term interventions in favour of non-profit associations and foundations committed to improving the local environment, with a targeted and sustainable approach.

These actions, along with many others, are part of a structured effort in six main areas of intervention:

- Health **and prevention**, with activities supporting health, training and research.
- **Community and care**, with initiatives to help people in need and support non-profit organisations.
- **Culture**, through projects to enhance the area's historical and artistic heritage.
- **Sport**, with support for initiatives that promote education, respect and social inclusion.
- **Environment**, with actions to protect natural resources and reduce environmental impacts.
- **Emergencies**, through contributions to help populations affected by natural disasters or conflicts.

Among the most significant initiatives in favour of the community in 2024 is support for the establishment and activities of the Addiction Observatory, coordinated by the Marca Trevigiana Local Health Unit (Ulss) in collaboration with the Conference of Mayors, the School Office and the Prefecture. After a few years of operation, the Observatory is playing a key role in creating a network to combat and prevent risk behaviour related to drugs, alcohol, gambling, smartphone and social media addiction, and smoking.

In the social sphere, another project of great relevance concerns an **intergenerational initiative** that promotes dialogue between children and the elderly. In today's society, the tendency is often to separate the different generations instead of encouraging their encounter. Thanks to this initiative, implemented in cooperation with **Ulss**, inclusive and quality support is promoted, fostering **lifelong learning** and strengthening social integration. The aim is to improve the well-being and quality of life of both the elderly and the children by offering them opportunities for exchange and mutual enrichment.

Another important initiative, called 'Vita Libera!', is dedicated to young adults with disabilities and offers them the opportunity to experience independent living outside the family context. During weekends, participants can perform activities related to leisure time, home autonomy, personal well-being and self-determination, with the support of a qualified operator.

In the cultural sphere, two major events deserve special mention:

- **'Libri in Cantina'**, a review dedicated to small and medium-sized publishers, which also hosts meetings with authors and sees the participation of more than 50 publishing houses.
- **"Lago Film Fest"**, an international independent film festival that has gained wide notoriety, becoming a springboard for young authors and a reference point for film professionals.

Metrics

Currently, no specific metrics are reported on this sustainability issue.

S4 - Consumers and end-users

Strategy

The analysis of Double Materiality Assessment highlighted the relevance of the 'Consumers and End-Users' issue through the following significant IROs:

Impacts

- Promoting safety through rapid and safe intervention in the event of gas supply problems.

Risks

- Risk of a law suit by customers whose personal data have been disclosed, compromising their privacy.

Goals

Although the Group has not formalised specific goals in relation to the identified risk, it pays the utmost attention to compliance with the privacy regulations, as most recently defined, by virtue of EU Regulation 2016/679 (or GDPR) and Legislative Decree No. 196 of 30 June 2003, as amended by Legislative Decree 101/2018 (the so-called "Privacy Regulation").

Policies

In order to guarantee the safety of the gas distribution infrastructure, Ascopiave has adopted the *Gas Emergency and Accident Management Plan*, with which it defines the responsibilities, goals, activities, organisational structure and methods for collecting, recording and transmitting the information necessary to ensure the rapid and effective management of emergency or accident situations involving the gas distribution service. An emergency is defined as an event involving combustible gas in the network, capable of producing serious and/or far-reaching effects on the safety and continuity of the distribution service. It also applies to any event that causes the interruption without warning of the gas supply to at least 250 end customers and for which the supply is not reactivated within 24 hours from the beginning of the interruption.

In order to safeguard the rights and freedoms of the 'interested parties' (such as end customers, employees, collaborators, suppliers and private citizens in general), a *Privacy Policy* has been adopted, and, in line with the provisions of the GDPR and to complete the internal discipline, it has also prepared and adopted detailed Policies, dedicated respectively to

- Handling of data subjects' requests referring to the exercise of their rights under EU Regulation 2016/679;
- Privacy By Design;
- Data Breach;
- Data Protection Impact Assessment (DPIA);
- Data Retention.

Pursuant to the GDPR, Ascopiave, like its subsidiaries (subject to the relevant obligation) has also appointed a Data Protection Officer (DPO). In exercising his functions, the DPO is independent of the operational functions and has been provided with the human and financial resources necessary to fulfil his duties. Internal coordination is ensured by the Group's 'Privacy Function', a collegial body (consisting of the Privacy Contact Person, Privacy Delegate and Ascopiave's DPO), which combines the competences inherent to the operational management of fulfilments and practices connected to the application of the Privacy Regulations, with those more strictly related to control and verification of management performance. During the previous year, the Privacy Function met periodically both to assess the progress of activities and to deal with specific problems and/or issues of particular importance.

Actions

The Group adopts a series of preventive and corrective actions to ensure the security and continuity of service to consumers and end users, as well as the protection of IT systems and data that aim to guard against the risks of network breaches, data corruption, sensitive processes and/or access to privileged information. The measures undertaken concern emergency management, plant maintenance, distribution network monitoring, and the implementation of advanced cybersecurity solutions to protect systems and data.

- **Plant inspection**: the Group's focus on plant safety and service continuity is demonstrated by its increasing commitment to prevention through inspections of the distribution network.
- **Plan of operations:** the Group applies the most advanced technologies to guarantee high quality standards in the construction of networks and distribution plants. The design phase is characterised by the use of technologically advanced computer tools and sophisticated equipment to perform simulations of the fluid-dynamic structure of the entire network. During the plant construction phase, the Ascopiave Group has also always adopted the most advanced construction solutions, technologies and equipment and entrusted the construction of works to contractors with proven experience in the sector and proportionate skills.
- **Emergency Assistance**: The Group has an Emergency Assistance Service, active 24 hours a day, every day of the year, to solve problems related to the supply of gas on the managed networks, such as leaks or dispersions, interruptions or irregularities in supply, and damage to distribution systems.
- **Emergency Management Plan:** The Ascopiave Group has adopted a 'Gas Emergency and Accident Management Plan' with which it defines the responsibilities, goals, activities, organisational structure and methods for

collecting, recording and transmitting the information necessary to ensure the rapid and effective management of emergency or accident situations involving the gas distribution service.

- **Cyber security:** the protection of the integrity and confidentiality of data and information is part of the company's digital strategy and has become increasingly important also in relation to the growing digitisation activities in all major processes. The Group is constantly working to ensure the protection of information systems and data, to guard against the risks of network breaches, data corruption, sensitive processes and/or access to privileged information, carrying out prevention, detection and intervention against potential cyber attacks
- **Monitoring of service quality** through indicators that represent in qualitative and quantitative terms the levels of service delivery.

  Operation and maintenance monitoring **procedure:** monitoring, operation and maintenance activities are performed with the aim of maintaining the safety and efficiency of the facilities in order to ensure continuity of service.

Metrics

Currently, no specific metrics are reported on this sustainability issue.

CHAPTER 4 - GOVERNANCE INFORMATION

G1 - Conduct of Businesses

Managing Impacts, Risks and Opportunities

Disclosure Requirement G1-1 - Corporate Culture and Conduct Policies

Ascopiave's corporate culture is based on policies of conduct aimed at managing the impacts, risks and opportunities identified in the Double Materiality Assessment, namely:

Impacts

- Transparent administration;
- Improved working environment and productivity through the promotion of a culture of ethics and integrity;
- Protection of employees and creation of a more ethical and respectful working environment, thanks (also) to the Ascopiave Group's '*Whistleblowing* Procedure', which ensures the proper handling of *whistleblowing* reports;
- Contribution to sustainability and social welfare by selecting suppliers who comply with defined environmental and social metrics.

Risks

- Risk of strategic misalignment between the company's operational activities and the goals outlined in the Strategic Plan, with negative impacts on organisational coordination, consistency of actions undertaken and proper internal communication and dissemination of the Plan, hindering overall effectiveness.
- Risk of administrative liability of entities (Legislative Decree No. 231/2001).
- Incomplete/ineffective sustainability *reporting*.
- Payment fraud risk.

Opportunities

- Access to low-interest financing, such as *green bonds* or other debt instruments linked to sustainability through the adoption of sustainable practices.

To this end, in line with the Corporate Governance Code (CG Code), the Ascopiave Group has adopted principles and tools aimed at ensuring transparent, responsible and efficient management, pursuant to best governance practices and in the interest of all *stakeholders*.

At the heart of its corporate culture, Ascopiave places the Code of Ethics of the Ascopiave Group, common to the entire Group, which contains the values that guide all the actions and decisions of the Group's companies. In addition, through the adoption of the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 (MOG or Model 231), adopted by each company of the Group, Ascopiave reinforces its commitment to a solid and effective *governance* system aimed at ensuring integrity, transparency and respect in every aspect of its operations, adopting an uncompromising approach to fraud, extortion and corruption.

Pursuant to Legislative Decree No. 231/2001, to oversee the application and continued effectiveness of the Code of Ethics and Model 231, each Group company has appointed a Supervisory Board (SB), which is characterised by:
a) autonomy and independence;
b) professionalism;
c) continuity of action.

In particular, insofar as it is relevant here, the Supervisory Board, pursuant to the 231 Model, is guaranteed the highest possible hierarchical position, with *reporting* to the company's top operational management, i.e. the Board of Directors (or other top administrative body of the individual Group companies). In particular, the actions of the Supervisory Board cannot be audited by any other body or function, without prejudice to the supervisory activity on the adequacy and conformity of its actions entrusted to the Board of Directors (or other top management body of the individual Group companies).

The Supervisory Board also:

- are not assigned administrative and/or operational tasks that would compromise their objectivity of judgment, which are necessary for the performance of the verification and control functions typical of the Body;
- free access to data, information and company documentation is ensured. Models 231, specifically, make it explicit that any recipient of the Model (or, in general, anyone working, even de facto, for the Group company) who should receive requests from the Supervisory Board must provide, within the limits of their knowledge/competence, direct, truthful and complete feedback, without the need for any prior scrutiny and/or authorisation/approval/clearance whatsoever, of their manager and/or hierarchical superior and/or contractual reference;
- the right/duty to interact and cooperate both with the Supervisory Boards of the other Group companies and with the other control functions (e.g. Board of Statutory Auditors, Head of *Internal Audit*, etc.).

In addition, in order to prevent episodes of corruption, the Group has also adopted a "*Policy on donations, contributions to the community and initiatives with a social impact of the Ascopiave Group*" (see Section "S3 - Affected Communities" of Chapter 3 - Social Information), an "*Ascopiave Group Personnel Selection Policy*" (see Section "S1 - Own *workforce*" of Chapter 3 - Social Information) and a "Regulation for tenders *for works, supplies and services, with a value below the community threshold*, within the scope of the *Ascopiave Group's special sectors*" (see Section "S3 - *Staff selection policy*" of Chapter 3 - Social Information). Section "S1 - Own workforce" of Chapter 3 - Social information) and a "*Regulation for tenders for works, supplies and services, with a value below the community threshold, within the scope of the Ascopiave Group's special sectors*" (see Section "G1-2 - Management of relations with suppliers" of this chapter), adopted by all subsidiaries.

Moreover, again to protect against the risk of corruptive phenomena, reference should also be made to the procedures and instructions adopted by the Ascopiave Group within the scope of the quality management systems implemented in compliance with the reference standards, as well as the administrative and accounting procedures implemented within the scope of *compliance* pursuant to Law No. 262/2005.

The protection of whistleblowers

With regard to the protection of whistleblowers, the Group has a formalised policy and is subject to the legal obligations of the national legislation transposing EU Directive 2019/1937 (Legislative Decree no. 24/2023) and in this sense it has adopted, as an integral part of Model 231, the "*Procedure for the management of 'whistleblowing' reports of the Ascopiave Group*" (the so-called *Whistleblowing* Procedure).

The first formulation, in compliance with Law No. 179 of 30 November 2017 (which amended Article 6 of Legislative Decree No. 231/2001), dates back to 2019, while in November 2023 it was updated in compliance with Legislative Decree No. 24/2023.

The purpose of this procedure is to regulate the process of receiving, analysing and processing reports, also transmitted anonymously or confidentially, governing violations and/or critical issues relating to one or more of the following topics:

- Code of Ethics;
- Model 231;
- Procedures related to and/or explanatory of the Code of Ethics or Model 231;
- Internal Control and Risk Management System;
- Laws, regulations, or measures of public authorities.

Since its first version, Ascopiave has extended the scope of application of the above-mentioned *Whistleblowing* Procedure beyond the perimeter of Legislative Decree No. 231/2001, considering it to be a valid and effective instrument of general verification and control to protect the legality that must guide the actions of the Group, and therefore of its directors, employees, collaborators, consultants and suppliers, as well as, in general, of anyone who is called upon to act and/or work for or on behalf of the companies of the Group.

In line with the provisions of Legislative Decree No. 24/2023, the *Whistleblowing* Procedure diversifies the management of wh*istleblowing* reports by Group companies, distinguishing between the so-called "Company 1" (Ascopiave S.p.A. and the gas distribution companies) and the so-called "Company 2", i.e. the other Group companies.

For Company 1, the Procedure provides:

- a wide reporting perimeter (including all the areas provided for by Legislative Decree No. 24/2023);
- management competence (in the first instance) assigns to the Reporting Committee (subject to transmission to the competent Supervisory Board if the report relates to 231 issues).
- the applicability of the institutions of 'external reporting' and 'public disclosure', under the conditions and within the limits provided for by the same Legislative Decree No. 24/2023.

Reports referring to the 'Group', i.e. either relating to two or more companies, or governing aspects of such importance that they involve the entire Group, are also brought within the scope of the Company 1 rules.

For Company 2, however, it provides:

- a reporting scope limited to 231 issues;
- management competence is assigned exclusively to the competent SB;
- the non-usability of either the external channel or public disclosure.

In general, for both Companies 1 and 2, the *Whistleblowing* Procedure assigns the protection provided for by Legislative Decree 24/2023 to anyone who "*during the performance of his or her duties, or on the occasion thereof, therefore in the context of work and/or other legal relations with the Company, having become aware of a Potentially Significant Offence, decides to make a Report. A Whistleblower also means a person who, being entitled to do so under the applicable rules, has filed a complaint with the judicial or accounting authorities*".

The protection of whistleblowers in good faith with respect to any sanction and/or afflictive conduct that finds reason or cause in the produced report is therefore aimed both at employees and at third parties with respect to the working team, linked to or more than Group companies by other business relations (e.g. suppliers, contractors, consultants, etc.).

The *Whistleblowing* Procedure itself, as a further guarantee for the *Whistleblower*, takes care to differentiate the channel for receiving reports governing one or more members of the Whistleblowing Committee or of the Supervisory Board, assigning, in such circumstances, management responsibility to Ascopiave's Board of Directors.

Pursuant to Model 231, each Supervisory Board of the Group's companies activates a structured collection of information flows from the departments and corporate functions of reference for the areas with the highest 'crime risk' identified by each Model 231 (by reason of the activities and structure of each Ascopiave Group company), aimed at obtaining information on significant events occurring during management.

These periodic flows are accompanied by the general obligation to report exceptional or abnormal events and/or potential violations (of the Model), on the part of anyone who, even de facto, acts/operates for a Group company.

Business Conduct Training

Ascopiave has adopted a "Human Resources Management" procedure as part of its quality management system that regulates, among other things, staff training activities. Pursuant to the Code of Ethics and Models 231 of the companies of the Group, the Ascopiave Group promotes constant training and refresher courses for all employees.

Newly recruited employees are provided with a documentary dossier that includes, inter alia:

- the Group Code of Ethics;
- Model 231 (of the company where the work is to be performed);
- the Whistleblowing Procedure.

All employees regularly participate in in-depth courses (usually online) dedicated to issues related to Legislative Decree No. 231/2001 and the structure of Models 231. These courses include a final test, the outcome of which conditions the successful completion of the training course. This initiative is part of a broader training programme, which includes updating activities governing the Group's Code of Ethics and the *Whistleblowing* Procedure. In these subjects too, the courses are followed by final tests that determine the successful conclusion of the training activity.

In particular, in March 2024, they participated in a training course on the use of the online platform 'Whistleblowing':

- the Reporting Committee;
- all members of the Supervisory Boards of the Group's subsidiaries;
- representing Ascopiave's Board of Directors, the secretary in charge of supporting Ascopiave's Board of Directors in handling the reports entrusted to the Board of Directors.

In addition, when the Models 231 of the Group companies were updated in 2024, related training was scheduled for all Group employees in 2025.

Functions at greatest risk of active and passive corruption

The Group has adopted specific rules of conduct to prevent active and passive corruption, which are integrated into Model 231. The special parts of Models 231, specifically the *Special Part "Crimes to the detriment of the Public Administration"* and the Special Part *"Bribery among private individuals"* identify and regulate "Offence Risk Areas" in which the Functions (and Departments) of the organisational structures of each company of the Ascopiave Group that are most exposed to the risk of active and passive corruption are specifically identified.

It should be noted that in Models 231 of the Group companies, for each "Offence Risk Area", there are both general (i.e., applicable in any situation) and specific (i.e., specific and peculiar to the individual Offence Risk Areas) rules of conduct.

Disclosure Requirement G1-2 - Management of Relations with Suppliers

The Ascopiave Group adopts a structured and rigorous approach to managing relations with suppliers, focusing specifically on the risks associated with its supply chain. Suppliers are selected through procedures that ensure compliance with general and specific requirements, excluding those who do not meet the requirements of technical, economic and financial suitability or who are subject to restrictive measures under anti-mafia and labour laws.

Ascopiave's Board of Directors approved the "*Regulations for contracts for works, supplies and services, for amounts below the EU threshold, within the special sectors of the Ascopiave Group*", last updated on 9 February 2023 and currently under review following the entry into force of the Public Contracts Code (Legislative Decree No. 36/2023) and the amendments introduced by the corrective decree (Legislative Decree No. 209/2024).

Although this regulation is mandatory exclusively for companies operating in the so-called 'special sectors' (in this case, gas distribution), for sub-threshold assignments subject to the regulations of the Public Contracts Code, it has been adopted by all Group companies and can therefore be applied in non-regulated contexts, thus outside the aforementioned obligation.

The Group establishes relations with its suppliers and contractors in compliance with the principles of fairness, equity, transparency and mutual cooperation. Supplier selection is based on an assessment of metrics defined in the document Requirements, obligations and conditions for contracting with the Ascopiave Group, which include:

- respect for human rights, workers and the environment;
- scrupulous compliance with labour law, with particular regard to obligations governing the protection of child and women's labour, health and safety conditions, trade union rights and the employment of foreign workers, combating and emerging from 'undeclared work';
- the correct and timely fulfilment of wage, contribution, insurance and tax obligations;
- respect for the principles of legality, transparency and fairness in business;
- the highest degree of professionalism and diligence, as well as utmost honesty and good faith in dealing with the Group.

Except in special cases, essentially linked to the supplier's necessary enrolment in professional registers (or similar), in order to establish a contractual relationship with the Ascopiave Group, it is necessary to acquire the qualification of 'supplier/executor', ensuring that potential *partners* comply with the above metrics, have an adequate organisation and are able to meet the required technical specifications.

When choosing contractual counterparties, the Group acts pursuant to its internal regulations, respecting the principles of free competition, transparency, equal treatment and good business conduct. To this end, precise selection procedures are in place, both *online* and traditional.

In order to improve the processes for the purchase of goods and services, the Group has extended the use of the portal for the management of online purchases (mandatory, as of 2023, only for companies subject to the Public Contracts Code), accessible at the URL: www.eproc-ascopiave.it, to all Group companies. A document was then drafted containing the "*General Conditions for Registration, Registration and Use of the Ascopiave Group Purchasing Portal*", the observance of which, as set forth in the document "*Requirements, Obligations and Conditions for Contracting with the Ascopiave Group*", is imposed on all applicants requesting registration on the portal.

These documents impose an obligation on any candidate supplier to:

- comply with the 'Code of Ethics of the Ascopiave Group' and Model 231 of the Group company involved in supplying and
- provide the utmost cooperation to the competent Supervisory Board, not only by giving access to the information requested by the latter, but also by imposing the obligation to report any alleged unlawful conduct that the supplier may detect by referring to the Ascopiave Group's 'Procedure for the management of "whistleblowing" reports'.

Particular attention is paid to the prevention of anti-competitive practices, the integrity of the information transmitted and the proper management of safety in the workplace. Failure to comply with the above obligations, such as the perpetration of anti-competitive practices and/or health and safety violations, or the loss of the requisites required, will result in the application of sanctions, both with respect to any contractual relations established, and with respect to the role of potential supplier itself, which may lead to exclusion, temporary or permanent, from the Suppliers' Register.

Disclosure Requirement G1-3 - Prevention and detection of active and passive corruption

The issue of corruption is mainly monitored within the Ascopiave Group's Code of Ethics and the 231 Models of Group companies. As unlawful conduct that can be reported, bribery is recognised through the *Ascopiave Group's "Procedure for the management of "whistleblowing" reports*", an integral part of Model 231.

Within the 231 Models, the subject of corruption is dealt with, as mentioned, in Special Section 1 "*Crimes to the detriment of the Public Administration*" and Special Section 3 "*Bribery among private individuals*". Enhanced control measures are envisaged for these areas, including specific procedures and regular *Disclosure Requirement*s to the Supervisory Board.

In the same Special Patients 1 and 3 of the Model of each company of the Group, for each identified Offence Risk Area, the functions and/or departments (of Ascopiave and/or of the company concerned and/or of other companies of the Group) that perform relevant activities within the same Offence Risk Area are detailed.

The main role of guarantor of the prevention and detection of active and passive corruption is played by the Supervisory Board of each Group company, which, pursuant to Model 231, is guaranteed the highest possible hierarchical position, with *reporting* to the company's top operational management, i.e. to the Board of Directors (or other top administrative body of the individual Group companies).
To the Supervisory Boards of Group companies:

- no administrative and/or operational tasks are assigned;
- free access to company data, information and documentation is ensured;
- the right/duty to interact and cooperate with both the other SBs and the other control functions (e.g. Board of Auditors, Head of *Internal Audit*, etc.).

Pursuant to the Ascopiave Group's Whistleblowing Management Procedure, a similar oversight is ensured by the Whistleblowing Committee, as a unitary cross-functional body, appointed by the Board of Directors of Ascopiave, in charge of managing *whistleblowing* reports, with the exception of those relating to Potentially Significant Offences falling within the scope of Legislative Decree No. 231/2001.
The Reporting Committee is composed of: (i) the Head of the Internal Audit function, (ii) the Legal and Corporate Affairs Director, (iii) the entire Supervisory Board of Ascopiave S.p.A.
The Reporting Committee incorporates, to all intents and purposes, the status of an "autonomous office ... dedicated and staffed by specifically trained personnel for the management of the reporting channel" under Art. 4 of Legislative Decree 24/2023.
Specifically, the Whistleblowing Committee is an internal office for Ascopiave S.p.A., while for other Companies 1 it operates as an "external party" - in outsourcing - within the scope of the service provided by Ascopiave S.p.A, by virtue of a specific contract (please refer to the section on "Protection of whistleblowers").The Ascopiave Group adopts an integrated and transparent approach to the management and communication of its prevention policies against active and passive corruption, ensuring that these provisions are adequately accessible to all persons involved in processes potentially at risk of corruption, through dedicated and appropriately structured information channels.

It should be noted that Models 231 of each individual subsidiary of the Ascopiave Group, as well as Group policies and quality system procedures, are accessible to all employees of the Ascopiave Group.

With respect to training activities and specifically those performed by members of the Supervisory Boards of Group companies and of the Reporting Committee, as well as by the contact person of the Board of Directors of Ascopiave S.p.A., please refer to the paragraph on "Training on corporate conduct". Over the years, the Ascopiave Group has periodically performed on-line training activities for all employees, with regard to the administrative liability of entities in order to prevent, among other things, the crimes of active and passive corruption, In March 2024, with particular regard to training activities against active and passive corruption, members of the Supervisory Bodies of Group companies and of the Whistleblowing Committee participated in a training course on the use of the on-line platform "Whistleblowing", as well as, representing the Board of Directors of Ascopiave, the secretary in charge of supporting the Board of Directors of Ascopiave in managing the reports entrusted to the competence of the same Board of Directors.

In addition, when the Models 231 of the Group companies were updated in 2024, related training was scheduled for all Group employees in 2025.

Metrics and Targets

Disclosure Requirement G1-4 - Cases of active or passive corruption

During 2024, there were no cases of active or passive bribery, and no prosecutions regarding bribery were brought against the company or its employees. Consequently, no convictions or fines were recorded against Group companies for violations of laws against active and passive bribery.

Disclosure Requirement G1-6 - Payment Practices

In managing payments to suppliers, the Ascopiave Group implements standard terms, which provide for payments at 30 days from the invoice date at the end of the month if, in preparing invoices, the supplier follows the instructions provided by the Group company that purchased the goods or services, otherwise payments are made at 60 days from the invoice date at the end of the month.

In order to avoid payment delays, a careful and continuous mapping of deadlines is implemented by the administrative offices in charge.

In 2024, Group companies made an average of 95.6 per cent of their payments within the standard terms .[17]

The metrics were not independently audited by an external body.

The average time taken by Ascopiave to pay an invoice, in number of days, is 30.8[18] calculated from the date on which the contractual or legal payment deadline starts to be calculated.

As at 31 December 2024, only one judicial proceeding for late payment was pending, following the notification for non-payment of an invoice for an amount of Euro 267.23 (VAT included). Subsequent checks ascertained that the non-payment was due an error in the invoice, which did not provide for the so-called 'split payment'. Following contact with the supplier's lawyers, only the payment of the capital claim was regularised, which occurred subsequent to the year-end date of 24/01/2025.

[17] The figure was calculated as a weighted average of payments made within the standard terms of all Group companies.
[18] The figure was calculated as a weighted average of average invoice payment times, considering all Group companies.

Ascopiave Group

Consolidated Financial Statements

as at 31 December 2024

Consolidated Statement of Financial Position

(Thousands of Euro)		31th December 2024	31th December 2023
Assets			
Non-current assets			
Goodwill	(1)	61,727	61,727
Intangible assets	(2)	725,693	704,627
Property, plant and equipment	(3)	161,897	156,475
Equity-accounted investments	(4)	8,216	211,074
Investments in other companies	(4)	97,256	97,257
Other non-current assets	(5)	5,695	3,478
Non current financial assets	(6)	2,249	2,507
Deferred tax assets	(7)	38,524	39,301
Non-current assets		**1,101,257**	**1,276,446**
Current assets			
Inventories	(8)	7,017	8,276
Trade receivables	(9)	63,057	33,382
Receivables from CSEA	(10)	32,678	39,908
Other current assets	(11)	9,604	40,923
Current financial assets	(12)	816	1,743
Current tax assets	(13)	491	4,017
Cash and cash equivalents	(14)	34,183	52,083
Current assets from derivative financial instruments	(15)	828	4,821
Current assets held for sale	(16)	202,389	385
Current assets		**351,063**	**185,538**
Assets		**1,452,320**	**1,461,984**
Net equity and liabilities			
Total Net equity			
Share capital		234,412	234,412
Treasury shares		(55,987)	(55,424)
Reserves		633,718	629,589
Net Result of the Group		35,823	36,176
Net equity of the Group	(17)	**847,966**	**844,753**
Net equity of the Minorities	**(17)**	**9,823**	**9,529**
Total Net equity	(17)	**857,789**	**854,282**
Non-current liabilities			
Provisions	(18)	1,385	2,020
Employee benefits	(19)	4,051	4,751
Long term outstanding bonds	(20)	78,805	86,347
Non-current bank loans	(21)	229,824	204,064
Other non-current liabilities	(22)	41,875	39,360
Non-current financial liabilities	(23)	6,792	7,448
Deferred tax liabilities	(24)	17,101	17,618
Non-current liabilities		**379,833**	**361,608**
Current liabilities			
Short term outstanding bonds	(25)	7,606	7,708
Payables due to banks and financing institutions	(26)	101,688	140,642
Trade payables	(27)	65,433	73,026
Current tax liabilities	(28)	4,538	795
Payables to CSEA	(29)	19,591	4,918
Other current liabilities	(30)	14,125	17,196
Current financial liabilities	(31)	885	1,562
Current liabilities from derivative financial instruments	(32)	832	0
Current liabilities disposal of liabilities	(33)	0	247
Current liabilities		**214,698**	**246,094**
Liabilities		**594,531**	**607,702**
Net equity and liabilities		**1,452,320**	**1,461,984**

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Transactions with related parties' of this annual financial report.

Statements of Profit or Loss and Other Comprehensive Income

		Full Year	
(Thousands of Euro)		2024	2023
Revenues	(34)	**204,958**	**180,794**
Total operating costs		**101,535**	**86,572**
Raw materials, consumables, supplies and goods	(35)	2,939	2,265
Costs for services	(36)	53,229	50,474
Personnel expenses	(37)	18,185	20,914
Other management costs	(38)	27,688	29,884
Other income	(39)	506	16,965
Amortization and depreciation	(40)	**51,781**	**48,232**
Operating result		**51,642**	**45,990**
Financial income	(41)	4,666	6,020
Financial expense	(41)	14,872	13,950
Share of profit of equity-accounted investees	(41)	7,892	3,566
Earnings before tax		**49,328**	**41,626**
Income taxes	(42)	12,828	5,005
Result of the year from operating activities		**36,500**	**36,621**
Net result from transer/disposal of assets	(43)	0	56
Net result for the year		**36,500**	**36,677**
Net Result of the Group		35,823	36,176
Net Result of minorities		677	501
Consolidated statement of comprehensive income			
1. Components that can be reclassified to the profit / (loss) of the year			
- Effective portion of the change in fair value of cash flow hedging instruments, net of tax effects		(3,156)	(3,180)
- Share of comprehensive income of investments valued using the equity method		859	(11,135)
2. Components that can not be reclassified to the profit / (loss) of the year			
- Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax		389	(75)
- Fair value valuation of investment in other companies		0	(3,300)
Total comprehensive income		**34,592**	**18,987**
Result attributable to the shareholders of the parent company		34,151	18,472
Result attributable to third party investments		441	515
Diluted net income per share		0.166	0.167

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Transactions with related parties' of this annual financial report.

Statements of Changes in Consolidated Equity

(Thousands of Euro)	Share capital	Legal reserve	Treasury shares	Reserves IAS 19 actuarial differences	Other reserves	Profit/(loss) carried forward	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2024	**234.412**	**46.882**	**(55.424)**	**(239)**	**425.544**	**157.402**	**36.176**	**844.753**	**9.529**	**854.282**
Result for the year							35.823	35.823	677	36.500
Fair value of derivatives					(2.919)			(2.919)	(237)	(3.156)
Fair value of derivatives in Shareholdings in Affiliated companies					859			859		859
IAS 19 actuarial gain (losses)				388				388	1	389
Total result of overall income statement				**388**	**(2.060)**	**(0)**	**35.823**	**34.151**	**441**	**34.592**
Allocation of 2023 result					5.837	30.339	(36.176)	(0)		(0)
Dividends distributed to Ascopiave S.p.A.'s shareholders						(30.339)		(30.339)		(30.339)
Other changes					3			3	4	7
Long-term incentive plans			291		(191)			101		101
Purchase of treasury shares			(854)					(854)		(854)
Change in equity investments in subsidiaries companies					152			152	(152)	(0)
Balance as of 31th December 2024	**234.412**	**46.882**	**(55.987)**	**149**	**429.285**	**157.402**	**35.823**	**847.966**	**9.823**	**857.789**

(Thousands of Euro)	Share capital	Legal reserve	Treasury shares	Reserves IAS 19 actuarial differences	Other reserves	Profit/(loss) carried forward	Net result for the year	Group's net equity	Net result and net equity of others	Total net equity
Balance as of 1st January 2023	**234.412**	**46.882**	**(55.424)**	**(162)**	**454.998**	**152.910**	**32.664**	**866.280**	**20.123**	**886.403**
Result for the year							36.176	36.176	501	36.677
Fair value of derivatives					(3.192)			(3.192)	12	(3.180)
Fair value of investments in other companies					(3.300)			(3.300)		(3.300)
Fair value of derivatives in Shareholdings in Controlled and Affiliated companies					(11.135)			(11.135)		(11.135)
IAS 19 actuarial gain (losses)				(77)				(77)	2	(75)
Total result of overall income statement				**(77)**	**(17.627)**	**(0)**	**36.176**	**18.472**	**515**	**18.987**
Allocation of 2022 result						32.664	(32.664)	(0)		(0)
Dividends distributed to Ascopiave S.p.A.'s shareholders						(28.172)		(28.172)		(28.172)
Dividends distributed to third party shareholders								(0)	(331)	(331)
Other changes					1.838			1.838	(15)	1.823
Change in equity investments in subsidiaries companies					(13.665)			(13.665)	(10.763)	(24.428)
Balance as of 31th December 2023	**234.412**	**46.882**	**(55.424)**	**(239)**	**425.544**	**157.402**	**36.176**	**844.753**	**9.529**	**854.282**

Consolidated Cash Flow Statement

(Thousands of Euro)	Full Year 2024	Full Year 2023
Cash flows generated (used) by operating activities		
Total comprehensive income	36,500	36,677
Adjustments to reconcile net income to net cash generated (used) by operating activities:		
Income taxes	12,828	5,005
Net Financial expense/income	14,457	12,158
Equity-Settled Share-Based Payment Transactions	81	0
Depreciation and amortization	51,781	48,232
Bad debt provisions and Credit losses	336	305
Impairment of assets	0	3,109
Losses / (gains) on disposals of fixed assets	3,329	(2,144)
Capital (gains) / losses on sharehodings disposal	0	(11,754)
Change in employee benefits	(311)	(260)
Net change in other funds and other non monetary items	525	1,084
Dividends from equity investments	(4,251)	(4,228)
Equity accounted subsidiaries	(7,892)	(3,566)
Variations in assets and liabilities		
Trade receivables	(29,675)	(13,583)
Other current assets	34,894	(22,558)
Other non-current assets	(1,438)	(1,146)
Receivables/Payables from/to CSEA	24,221	75,607
Inventories	1,259	(940)
Trade payables	(9,911)	(107,169)
Other current liabilities	(7,032)	719
Other non-current liabilities	838	1,097
Taxes paid	(6,023)	(1,484)
Interests (paid)/received	(13,332)	(9,033)
Cash flows generated (used) by operating activities	**101,184**	**6,128**
Cash flows generated (used) by investments		
Investments in intangible assets and goodwill	(65,044)	(61,792)
Realised value of intangible assets	0	9,412
Investments in property, plant and equipment	(16,025)	(25,785)
Realised value of property, plant and equipment	0	64
Purchase of financial assets	0	(54,418)
Disposal of financial assets	0	158,354
Dividends received from equity accounted subsidiaries	9,220	18,997
Dividends received	4,251	4,228
Cash flows generated/(used) by investments	**(67,598)**	**49,060**
Cash flows generated (used) by financial activities		
Increase / (decrease) on credit lines	7,006	(42,796)
(Repayment) / New lease liabilities	(1,425)	755
New loans and borrowings	324,000	784,522
Repayment of loans and borrowings	(350,081)	(794,000)
Purchase of treasury shares	(647)	0
Dividends paid	(30,339)	(28,503)
Cash flows generated (used) by financial activities	**(51,486)**	**(80,022)**
Net change in cash and cash equivalent	**(17,900)**	**(24,834)**
Cash and cash equivalents at the beginning of the year	**52,083**	**76,917**
Net change in cash and cash equivalent	(17,900)	(24,834)
Cash and cash equivalents at the end of the year	**34,183**	**52,083**

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Transactions with related parties' of this annual financial report.

EXPLANATORY NOTES

Corporate information

Ascopiave S.p.A. (hereinafter 'Ascopiave', the 'Company' or the 'Parent Company' and, together with its subsidiaries, the 'Group' or the 'Ascopiave Group') is a joint-stock company incorporated and domiciled in Italy.
As at 31 December 2024, the Company's share capital of Euro 234,411,575 was held for the majority by Asco Holding S.p.A., the remainder being distributed among other private shareholders.
Ascopiave S.p.A. has been listed since December 2006 on Euronext Milan - Euronext STAR Milan Segment - organised and managed by Borsa Italiana S.p.A..
The company's registered office is in Pieve di Soligo (TV), Via Verizzo, 1030.
The publication of these consolidated financial statements as at 31 December 2024 was authorised by a resolution of the Board of Directors on 6 March 2025.

The activities of the Ascopiave Group
The Ascopiave Group operates mainly in the natural gas distribution sector, as well as in other sectors related to its core business, such as heat management and cogeneration.
Currently, the Group holds concessions and direct entrustments for the management of gas distribution in 301 municipalities (304 municipalities as of 31 December 2023), operating a distribution network that extends over 14,710 kilometres (14,730 kilometres as of 31 December 2023) and providing service to a catchment area of over one million inhabitants.
The Ascopiave Group holds 18.33% of the share capital of Cogeide S.p.A., a company that operates in the water services sector in the Lombardy region.
The Group is operating in the renewable energy sector, specifically in the hydroelectric, wind and photovoltaic sectors, managing 29 plants for the production of electricity from renewable sources with a total installed capacity of 84.1 MW. At the beginning of 2024, an additional wind power plant was commissioned by the subsidiary Asco Wind & Solar S.r.l., located in Calabria, with an installed capacity of 21.6 MW.

General Drafting Metrics and Attestation of Compliance with IFRS

These consolidated financial statements for the year ended 31 December 2024 have been prepared pursuant to International Financial Reporting Standards ("IFRS"), as endorsed by the European Union pursuant to the procedure set forth in Regulation (EC) No. 1606/2002 of the European Parliament and the European Council of 19 July 2002.
The consolidated financial statements are prepared on a going concern basis and are expressed in Euro, the Company's functional currency. All values shown in the tables and in the notes are expressed in thousands of Euro, unless otherwise indicated.

Financial Statements

With regard to the manner in which the financial statements are presented, it should be noted that in the Consolidated Statement of Financial Position, assets and liabilities are presented using the 'current/non-current' distinction criterion, in the Consolidated Statement of Comprehensive Income, costs are presented by nature, and in the Consolidated Statement of Cash Flows, cash flows from operating activities are determined using the 'indirect' method, adjusting the profit for the year for non-monetary items.
The accounting policies adopted in the preparation of this consolidated annual financial report are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2023, with the exception of the accounting standards, amendments and interpretations that have been applied for the first time by the Group as of 1 January 2024, which are described below.

Material information on the accounting policies

Accounting standards published by the IASB and endorsed by the EU that are mandatorily applicable as of financial statements for accounting periods beginning on 1 January 2024

The accounting standards described below have been applied consistently for all accounting periods included in these consolidated financial statements. In this regard, it should be noted that the entry into force as of 1 January 2024 of the following accounting standards and amendments had no significant effect on these consolidated financial statements:

Document title	Date of issue	Effective date	Date of approval	EU Regulation and date of publication
Lease Liabilities in a Sale and leaseback transaction (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(EU) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and non-current liabilities with clauses (Amendments to IAS 1)	January 2020 October 2022[19]	1 January 2024	19 December 2023	(EU) 2023/2822 20 December 2023
Financing Arrangements for Supplies (Amendments to IAS 7 and IFRS 7)	May 2023	1 January 2024	15 May 2024	(EU) 2024/1317 16 May 2024

New accounting standards published by the IASB that are applicable to financial statements for accounting periods subsequent to 1 January 2024

Below are the new accounting standards applicable for accounting periods subsequent to 1 January 2024, the early application of which is permitted. However, the Group has decided not to adopt them early for the preparation of these consolidated financial statements.

Documents approved by the EU as at 31 December 2024:

Document title	Date of issue	Effective date	Date of approval	EU Regulation and date of publication
Exchange rate impossibility (Amendments to IAS 21)	August 2023	1 January 2025	12 November 2024	(EU) 2024/2862 13 November 2024

New accounting standards not endorsed by the European Union and not applicable in advance to financial statements for accounting periods subsequent to 1 January 2024

Document title	Date of issue by the IASB	Effective date of the IASB document	Date of expected type approval by the EU
Standards			
IFRS 14 Regulatory deferral accounts	January 2014	1 January 2016	Endorsement process suspended pending the new accounting standard on 'rate-regulated activities'.
IFRS 18 Presentation and Disclosures in Financial Statements	April 2024	1 January 2027	TBD
IFRS 19 Controlled Entities without Public Accountability: Disclosures	May 2024	1 January 2027	TBD
Amendments			

[19] It should be noted that on 15 July 2020, the IASB Board published a further document to defer the effective date of the first amendment (published on 23 January 2020) from 1 January 2023 to 1 January 2024. This amendment was then confirmed with the second amendment published on 31 October 2022 and is therefore not shown separately in the table.

Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until the completion of the IASB project on the equity method	Endorsement process suspended pending the conclusion of the IASB project on the equity method
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	May 2024	1 January 2026	TBD
Annual improvements - Volume 11 (Amendments to IAS 7 and IFRS 1, 7, 9, 10)	July 2024	1 January 2026	TBD
Contracts referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7)	December 2024	1 January 2026	TBD

Name and registered office of the company preparing the consolidated financial statements

With reference to the information required by Article 2427, point 22-quinquies and *sexies* of the Italian Civil Code, we point out that the company Ascopiave S.p.A. with registered office in Via Verizzo 1030, Pieve di Soligo (TV), prepares the Consolidated Financial Statements of the smaller Group to which the company belongs as a subsidiary and that the same are available at its registered office. In addition, the company Asco Holding S.p.A., with registered office at Via Verizzo 1030, Pieve di Soligo (TV), prepares the Consolidated Financial Statements of the larger Group of which the company is part and that the same is available at its registered office; it should be noted that the company closes its accounting period on 31 July.

Consolidation Area and Metrics

The financial statements of all subsidiaries are included in the Annual Report. The Group controls an entity when the Group is exposed, or has the right, to the variability of results from that entity and has the ability to influence those results through the exercise of power over the entity. The financial statements of subsidiaries are included in the consolidated report from the date control is assumed until such control ceases to exist. Costs incurred in the acquisition process are expensed in the period in which they are incurred. The assets and liabilities, expenses and income of companies consolidated on a line-by-line basis are recognised in full in the consolidated financial statements; the carrying amount of equity investments is eliminated against the shareholders' equity of the investee companies. Receivables and payables, as well as costs and revenues arising from transactions between companies included in the scope of consolidation, are fully eliminated; capital losses and gains arising from transfers of fixed assets between consolidated companies, losses and gains arising from transactions between consolidated companies relating to the sale of assets that remain as inventories with the acquiring company, write-downs and reversals of write-downs of investments in consolidated companies, and intragroup dividends are also eliminated.
At the date control is acquired, the net assets of the investee companies are determined by assigning their current value to the individual assets and liabilities. Any positive difference between the consideration transferred (increased by the value assigned to any non-controlling interests not subject to acquisition) and the fair value of the net assets acquired is recognised in the asset item 'Goodwill'; if negative, it is recognised in the income statement.
The portions of shareholders' equity and profit attributable to non-controlling interests are recognised in the appropriate items of shareholders' equity and the income statement. In the case of non-controlling interests, the portion of shareholders' equity of non-controlling interests is determined on the basis of the portion of current values attributed to the assets and liabilities at the date control is assumed, excluding any goodwill attributable to them (the '*partial goodwill method*') or for a total value equal to the fair value that also includes goodwill attributable to them (the '*full goodwill method*'). In relation to this, minority interests are expressed at their full fair value, thus including any goodwill attributable to them.
In the case of equity interests acquired subsequent to the acquisition of control (acquisition of minority interests), any positive difference between the consideration transferred and the corresponding fraction of equity acquired is recognised in equity; similarly, the effects of the sale of minority interests without loss of control are recognised in equity.

The value of goodwill is not amortised but is subject to *impairment testing* at least annually, or more frequently if there are indicators of impairment.
Goodwill is recorded at cost, net of impairment losses.
Associated companies are those over which significant influence is exercised, which is presumed to exist when the shareholding is between 20% and 50% of the voting rights or, if lower, there is evidence of significant influence. Investments in associates are initially recognised at cost and subsequently valued using the equity method. The carrying value of these investments is aligned with shareholders' equity and includes the recognition of the higher values attributed to assets and liabilities and any goodwill identified at the time of acquisition. Unrealised gains and losses generated on transactions between the Parent Company/Subsidiaries and the investee company accounted for under the equity method are eliminated pursuant to the value of the Group's interest in the investee company; unrealised losses are eliminated, except where they represent impairment.
The financial statements of the Subsidiaries used to prepare the Annual Financial Report are those approved by their respective Boards of Directors. The figures of the companies consolidated on a line-by-line basis or using the equity method are adjusted, where necessary, to homogenise them with the accounting standards used by the Parent Company, which are pursuant to the IFRS adopted by the European Union.

The companies included in the scope of consolidation as at 31 December 2024 and consolidated on a line-by-line basis or using the equity method are as follows:

Company name		Registered offices	Paid-up capital	Group interest	Direct controlling interest	Indirect controlling interest
Parent company						
Ascopiave S.p.A.		Pieve di Soligo (TV)	234,411,575			
Fully consolidated subsidiaries						
AP Reti Gas S.p.A.		Pieve di Soligo (TV)	1,000,000	100.00%	100.00%	0.00%
AP Reti Gas Nord Ovest S.p.A.		Pieve di Soligo (TV)	27,664,637	100.00%	100.00%	0.00%
Cart Acqua S.r.l.		Pieve di Soligo (TV)	50,000	100.00%	100.00%	0.00%
Asco Power S.p.A.		Pieve di Soligo (TV)	87,257,532	90.20%	90.20%	0.00%
Asco Wind & Solar S.r.l.	(1)	Pieve di Soligo (TV)	10,000	100.00%	0.00%	100.00%
Green Factory S.r.l.	(1)	Orio Al Serio (BG)	10,000	90.00%	0.00%	90.00%
Jointly controlled companies accounted with the equity method						
Cogeide S.p.A.	(2)	Mozzanica (BG)	16,945,026	18.33%	0.00%	18.33%

(1) Subsidiaries through Asco Power S.p.A.
(2) Involved through Cart Acqua S.r.l.

It should be noted that as of 31 December 2024, a number of extraordinary merger and demerger transactions took effect involving the companies: AP Reti Gas S.p.A., AP Reti Gas Rovigo S.R.L., AP Reti Gas Vicenza S.p.A., AP Reti Gas Nord Est S.R.L., Edigas Esercizio Distribuzione Gas S.p.A., Romeo Gas S.p.A. and Serenissima Gas S.p.A..
Specifically, the extraordinary merger transactions were:

1. merger by incorporation of AP Reti Gas Rovigo S.R.L., AP Reti Gas Vicenza S.p.A. and AP Reti Gas Nord Est S.R.L. into AP Reti Gas S.p.A.;
2. merger, by incorporation, of the companies Edigas Esercizio Distribuzione Gas S.p.A. and Serenissima Gas S.p.A. into Romeo Gas S.p.A., which then took on the new company name of AP Reti Gas Nord Ovest S.p.A.

Immediately following the merger, AP Reti Gas S.p.A. demerged the branches of business governing the concessions for the distribution of natural gas in the North-West in favour of Romeo Gas S.p.A., while Romeo Gas S.p.A. demerged those in the North-East in favour of AP Reti Gas S.p.A..
It should also be noted that, as part of the same transaction, both companies also demerged their real estate branches in favour of the parent company Ascopiave S.p.A., resulting in a consequent reduction in the value of the equity investments recognised by the same.

On 16 December 2024, the deed of merger by incorporation of Asco Renewables S.p.A. into Asco EG S.p.A. was stipulated, which, in turn, assumed the new name: Asco Power S.p.A..

On 16 December 2024 and effective as of 31 December 2024, the Shareholders' Meeting of Salinella Eolico S.r.l. changed its company name to "Asco Wind & Solar S.r.l..

On 6 December 2024, the Shareholders' Meeting of Cart Acqua S.r.l. approved the merger project by incorporation into the parent company Ascopiave S.p.A.. The minutes of the Shareholders' Meeting were filed and registered with the competent Company Registry on 11 December 2024. It should be noted that as of the date of publication of this Annual Financial Report, the process is not completed.

Summary data of fully consolidated companies

Description	Revenues from sales and service supply	Net result	Net equity	Net financial position (liquid assets)	Reference accounting principles
Parent company					
Ascopiave S.p.A.	51,094	28,403	835,298	167,752	IFRS
Fully consolidated subsidiaries					
AP Reti Gas S.p.A.	134,676	26,813	499,784	103,961	IFRS
Cart Acqua S.r.l.	651	205	4,033	(491)	Ita Gaap
Green Factory S.r.l.	(0)	(69)	39	11,882	Ita Gaap
Asco Power S.p.A.	44,709	6,944	98,764	(35,795)	Ita Gaap
Asco Wind & Solar S.r.l.	3,483	30	3,210	34,104	Ita Gaap
AP Reti Nord Ovest S.p.A.	44,139	3,850	111,285	30,214	Ita Gaap

Information on consolidated subsidiaries with minority interests

The company Ascopiave S.p.A. holds shareholdings in consolidated subsidiaries that are owned by third parties. Please refer to the information table contained in the previous paragraph for an indication of the controlling share pertaining to each consolidated company. The interest that non-controlling interests have in the Ascopiave Group's assets and cash flows is considered by management to be insignificant.

Evaluation Criteria

The Group's accounting principles are stated below:

Goodwill

Goodwill deriving from the acquisition of branches of the company exercising the activity of gas distribution is initially recorded at cost and represents the excess of the purchase cost over the acquirer's share of the net fair value referred to the identifiable values of current and potential assets and liabilities. After initial recognition, goodwill is no longer amortised and is decreased by any impairment losses.

Goodwill is subjected to a recoverability analysis, on an annual or even shorter basis, in the event of events or changes in circumstances that may indicate impairment.

For the purposes of these recoverability analyses, goodwill acquired in business combinations is allocated, from the acquisition date to each of the Group's cash-generating units (or groups of units) that are expected to benefit from the synergy effects of the acquisition, regardless of the allocation of other assets or liabilities to these same units (or groups of units).

These cash-generating units:

(i) represent the lowest level within the Group where goodwill is monitored for internal management purposes;

(ii) are not larger than an operating segment, as defined in the Group's primary or secondary reporting format under IFRS 8 "Operating Segment".

The impairment loss is determined by establishing the recoverable amount of the cash-generating unit (or group of units) to which goodwill is allocated. When the recoverable amount of the cash-generating unit (or group of units) is less than the carrying amount, an impairment loss is recognised. In cases where goodwill is allocated to a cash-generating unit (or group of units) whose assets are partially disposed of, the goodwill associated with the disposed asset is considered in determining any gain (loss) arising from the transaction. In such circumstances, goodwill disposed of is measured on the basis of the relative values of the assets disposed of with respect to the assets still held in respect of the same unit.

Intangible Assets

Intangible assets are identifiable assets without physical substance, controlled by the enterprise and capable of producing future economic benefits, including goodwill arising from business combinations. The requirement of identifiability is usually satisfied when the intangible asset is:

- ✓ attributable to a legal or contractual right or
- ✓ separable, i.e. it can be sold, transferred, leased or exchanged independently or as an integral part of other assets.

Control by the enterprise consists of the ability to enjoy the future economic benefits of the activity and the ability to restrict access to them by others.

Intangible assets are initially recorded at cost.

Intangible assets mainly include assets related to service concession arrangements between the public and private sectors relating to the development, financing, operation and maintenance of infrastructure under concession where:

(i) the grantor controls or regulates the services provided by the operator through the infrastructure and the price to be charged for them;

(ii) the grantor controls - through ownership, beneficial ownership or otherwise - any significant residual interest in the infrastructure at the end of the concession.

These activities were regulated by the IASB in 2006 through the approval of the interpretative document IFRIC 12 'Service Concession Arrangements', governing the accounting treatment of service concessions. This document regulates the way in which concession contracts between a public entity and a private company are recognised and measured, with particular emphasis on the way in which infrastructure development, operation and maintenance activities are accounted for.

In return for the services rendered by the concessionaire, the grantor pays the concessionaire a consideration, to be recognised at its fair value, which may consist of rights to

- an intangible asset (so-called intangible asset model).
- a financial activity (so-called financial activity model).

The intangible asset model applies when the concessionaire, in return for the services of developing, maintaining and operating the infrastructure, acquires the right to charge users for its use. Therefore, the concessionaire's cash flows are not guaranteed by the grantor but are related to the actual use of the infrastructure by users, thus entailing a demand risk borne by the concessionaire.
The financial business model, on the other hand, the right is unconditional and contractually guaranteed for concessionary services.
After careful analysis of the existing concessions, the Group opted to apply the intangible asset model.
The main economic-technical rates used are as follows:

Buildings	2.5%
Road ducts	2.0%
Derivation plants	2.5%
Electronic meters	6.7%
Traditional meters <=G6	6.7%
Traditional meters (excluding <=G6)	5.0%
Principal and secondary plants	5.0%
Other fixed assets	14.3%
Remote reading/remote management sy:	6.7%
Concentrators	6.7%
Add-on devices	6.7%

As regards the amortisation period, concessions for the natural gas distribution service are amortised on a straight-line basis over the duration of the concession period or over their estimated useful life. In particular, the amortisation period of the concessions acquired by the Ascopiave Group is twelve years pursuant to the reference regulatory framework.

Intangible assets with a finite useful life, subsequent to initial recognition, are recognised net of accumulated amortisation and any impairment losses. The useful life is reviewed annually and any changes, if necessary, are made prospectively.
Gains or losses arising from the disposal of an intangible asset are determined as the difference between the disposal value and the carrying amount of the asset and are recognised in profit or loss at the time of disposal.

Duration and residual value of assets under concession
The activity of natural gas distribution is performed under concession, through the entrusting of the service by local public entities. With regard to the duration of concessions, Legislative Decree No. 164/00 (Letta Decree) established that all concessions must be put out to tender by the end of the so-called "transitional period" (for the Ascopiave Group, no later than 31 December 2012, or in subsequent years if the originally scheduled expiry date is extended) and that the new duration of concessions may not exceed twelve years. Upon the expiry of the concessions, the outgoing operator, in exchange for the transfer of its distribution networks, excluding freely transferable assets, shall be paid an indemnity defined on the basis of industrial appraisal metrics.
Based on the estimates made by the directors when determining the depreciation criterion, the net book value of the assets at the end of the concession should not exceed the aforementioned industrial value.

Property, plant and equipment
Tangible assets are recognised at purchase cost including directly attributable incidental costs necessary to bring the asset into use for the purpose for which it was acquired.
Land, both undeveloped and attached to civil and industrial buildings, has been accounted for separately and is not depreciated as it has an unlimited useful life.

Maintenance and repair costs that are not likely to enhance and/or extend the remaining life of assets are expensed in the year in which they are incurred, otherwise they are capitalised.
Property, plant and equipment are stated net of accumulated depreciation and any impairment losses determined as described below. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, which is reviewed annually and any changes, if necessary, are made prospectively.
The main economic-technical rates used are as follows:

Buildings	2%
Equipment	8.5% - 8.3%
Furniture	8.8%
Electronic equipment	16.20%
Basic hardware and software	20%
Motocars, motor vehicles and similar	20%

The carrying amount of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, and if the carrying amount exceeds the recoverable amount, the assets are written down to reflect their realisable value. The recoverable amount of tangible assets is the higher of fair value less costs to sell and value in use.
Impairment losses are recognised in the income statement under impairment losses. These impairment losses are reversed if the reasons for which they were incurred no longer apply.
When an asset is sold or when there are no expected future economic benefits from its use, it is derecognised and any loss or gain (calculated as the difference between the disposal value and the carrying amount) is recognised in the income statement in the year of such derecognition.

Leasing

IFRS 16 'Leases' defines a single model for recognising leases, eliminating the distinction between operating and finance leases, and providing for the recognition of an asset for the right to use the asset and a liability for the lease. A contract is, or contains, a lease if, in return for consideration, it grants the right to control the use of a specified asset for a period of time. Leasehold right-of-use assets are initially measured at cost and subsequently amortised over the lease term defined in the analysis, taking into account any reasonably exercisable options to extend or terminate the lease. The cost of right-of-use assets includes the initially recognised value of the lease liability, the initial direct costs incurred, an estimate of any restoration costs to be incurred at the end of the lease term, and lease-related prepayments made at the date of initial transition net of lease incentives received. The related lease liabilities are measured initially at the present value of the payments due for the fixed rental payments to be made at the lease inception date and for the exercise price of the purchase option and the redemption option if reasonably exercisable, discounted using the interest rate implicit in the lease, if determinable, or the marginal borrowing rate at the inception date. Liabilities for leased assets are subsequently measured at amortised cost, i.e. increased by the interest accruing on those liabilities and decreased in correlation with lease payments. Liabilities for leased assets are in all cases restated for changes in lease payments by adjusting the right-of-use asset by the same amount. However, if the carrying amount of the right-of-use asset is zero and there is a further reduction in the measurement of the lease liability, that difference is recognised in profit or loss.
In the case of modifications to a lease, such modifications are accounted for as a separate lease when rights of use are added to one or more underlying assets and the lease payment increases by an amount that reflects the stand-alone price for the increase in the lease object. In respect of modifications that are not accounted for as a separate lease, the lease liability is restated by discounting the revised lease payments due using a discount rate estimated at the date of the lease modification, based on the new lease term. These adjustments to the liability are accounted for by making a corresponding change to the asset consisting of the right of use, recognising in profit or loss any gain or loss related to the partial or total lease termination.

No right-of-use assets are recognised in relation to: i) short-term leases; ii) leases where the underlying asset is of low value. Payments due under such leases are recognised as operating expenses on a straight-line basis.
In the income statement, depreciation of the right-of-use asset is recognised as an operating expense and, in the finance section, interest expense accrued on the lease liability, if not capitalised. The income statement also includes: (i) lease payments relating to short-term, low-value leases, as permitted on a simplified basis by IFRS 16; and (ii) variable lease payments, which are not included in the determination of the lease liability (e.g. payments based on the use of the leased asset).

Shareholdings:
These are investments of a long-term nature arising from:
- equity-accounted investments;
- other investments measured at fair value.

Equity-accounted investments, i.e., in which the Group has significant influence, are valued using the equity method, whereby the investment at the time of acquisition is recognised at cost, subsequently adjusted for the Group's share of the investee's profit or loss. The Group's share of the profit/(loss) is recognised in profit/(loss) for the year under "Share of profit/(loss) of equity-accounted investees". In the event that an associate recognises adjustments directly to equity, the Group recognises its share of the associate's profit or loss and reports it, where applicable, in the statement of changes in equity.

In the event that the Group's share of the loss exceeds the carrying value of the investment, the latter is written off and any excess is recognised in a special provision to the extent that the Group has legal or constructive obligations to the investee company to cover its losses or otherwise make payments on its behalf.
At the end of the reporting period, the Group assesses the existence of any indicators of impairment and, if identified, performs an impairment test by comparing the carrying amount of the investment accounted for using the equity method and its recoverable amount. Any impairment loss is allocated to the investment as a whole with an offsetting entry to the profit (loss) for the year and classified in 'Share of profit/(loss) of investments accounted for using the equity method'.

Shareholdings in other companies: financial assets consisting of investments in companies other than associates and joint ventures (generally with an ownership percentage of less than 20%) are referred to as investments in other companies and fall into the category of financial assets measured at fair value, which normally corresponds to the transaction price upon initial recognition. Subsequent changes in fair value are recognised in profit/(loss) for the year (FVPL) or in other comprehensive income (FVOCI) in the "FVOCI instrument reserve". For investments measured at FVOCI, impairment losses are never recognised in profit/(loss) for the year, nor are accumulated gains or losses when the investment is sold; only dividends distributed by the investee are recognised in Profit/(loss) for the year when:
- ✓ the Group's right to receive payment of the dividend arises;
- ✓ it is likely that the economic benefits of the dividend will flow to the Group;
- ✓ the amount of the dividend can be reliably estimated.

It should be noted that the Group has opted to account for other companies in FVOCI.

Financial Assets and Liabilities

Initial detection

Trade receivables and debt securities issued are recognised at the time they are originated. All other financial assets and liabilities are recognised at fair value, except for trade receivables that do not contain a significant financing component and are subsequently measured at fair value through profit or loss, the transaction costs directly attributable to the acquisition or issue of the financial asset. Upon initial recognition, trade receivables that do not have a significant financing component are measured at the transaction price. Financial assets and financial liabilities may be offset and the amount resulting from the offsetting is presented in the statement of financial position if, and only if, the Company currently has the legal right to offset these amounts and intends to settle the balance on a net basis or realise the asset and settle the liability simultaneously.

Subsequent valuation of financial assets

The Group classifies financial assets according to the categories identified by IFRS 9:

- ✓ financial assets measured at amortised cost;
- ✓ assets at fair value through other comprehensive income (FVOCI);
- ✓ assets at fair value through profit or loss for the year (FVTPL).

Financial assets measured at amortised cost

Financial assets are classified in this category if the following conditions are met: (i) the asset is held as part of a business model whose objective is to own the asset for the purpose of collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the principal amount to be repaid. These mainly refer to receivables due from customers and/or loans that contain a significant financial component. Trade receivables that do not contain a significant financial component are instead recognised at the price defined for the relevant transaction. Subsequent measurements of assets in this category are measured at amortised cost, using the effective interest rate. Any provisions for impairment of these receivables are determined using the forward looking approach by means of a three-stage model: 1) recognition of expected losses in the first 12 months at initial recognition of the receivable if the credit risk has not increased; 2) recognition of expected losses over the life of the receivable if the credit-related risk increases significantly with respect to initial recognition; interest is recognised on a gross basis; 3) recognition of further expected losses over the life of the receivable when the manifested loss materialises; interest is recognised on a net basis.

Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets are classified in this category if they have the following characteristics: (i) the asset is held as part of a business model whose objective is achieved either by selling the asset or by collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows consisting solely of principal and interest payments on the principal amount to be repaid. Any write-downs for impairment, interest income is recognised in Profit or Loss for the period.

Financial assets at fair value through profit or loss (FVTPL)

All financial assets that do not meet the conditions, in terms of business model or characteristics of the cash flows generated, for measurement at amortised cost or fair value through other comprehensive income are classified in this category. Assets in this category are classified as current or non-current assets depending on their natural maturity and recognised at fair value upon initial recognition. On subsequent measurement, gains and losses arising from changes in fair value are recognised in profit or loss in the period in which they are recognised.

Value Adjustments

The assessment of impairment losses on financial assets measured at amortised cost is performed on the basis of a model based on expected credit losses, which provides for the total write-down of receivables past due by more than 365 days and a partial write-down of receivables past due by more than 180 days. The predictive process is supported by the monthly utilisation of the allowance for doubtful debts set aside based on the execution of reminder and recovery cycles for past due receivables. Time series for past years have shown that the impairment allowance made in predictive terms is a reasonable approximation in excess of the group's actual losses to end customers.

Subsequent valuation of financial liabilities

Financial liabilities other than derivative financial instruments, which include medium/long-term loans and bonds issued, are subsequently measured at amortised cost, calculated by applying the effective interest rate, net of principal repayments already made.

Liabilities are classified as current if, at the balance sheet date, the entity does not have a right to defer its settlement for at least twelve months subsequent to that date.

If the right to defer the settlement of a liability arising from a loan agreement for at least 12 months subsequent to the end of the reporting period is subject to the fulfilment of specific covenants, the liability is classified as non-current if all covenants contractually agreed upon up to the end of the reporting period have been fulfilled, even if they are calculated in the first few months of the following reporting period.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognised when:

- ✓ the rights to receive cash flows from the asset are extinguished;
- ✓ the Group retains the right to receive cash flows from the business, but has assumed a contractual obligation to pay them in full and without delay to a third party;
- ✓ the Group has transferred the right to receive cash flows from the asset and either (a) has transferred substantially all risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of it.

In cases where the Group has transferred rights to receive cash flows from an asset and has neither transferred nor retained substantially all risks and rewards or has not lost control over it, the asset is recognised in the Group's financial statements to the extent of its continuing involvement in the asset. The residual involvement that takes the form of a guarantee on the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of consideration that the Group could be required to pay.

In cases where the residual involvement takes the form of an issued and/or purchased option on the transferred asset (including cash-settled or similar options), the extent of the Group's involvement corresponds to the amount of the transferred asset that the Group may repurchase; however, in the case of a written put option on an asset measured at fair value (including cash-settled or similar options), the extent of the Group's residual involvement is limited to the lower of the fair value of the transferred asset and the exercise price of the option.

Financial liabilities

A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled or fulfilled.

In cases where an existing financial liability is exchanged for another financial liability of the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with any differences between the carrying amounts recognised in profit or loss.

Current assets held for sale

Current assets held for sale for which at the balance sheet date it is highly probable that their value will be recovered principally through sale rather than through continued use are presented separately from other assets in the statement of financial position.

Immediately prior to being classified as held for sale, each asset is recognised pursuant to the relevant IFRS and subsequently carried at the lower of carrying value and fair value, less costs to sell. Any impairment losses are recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of purchase and/or production cost, determined using the weighted average cost method, and net realisable value. Net realisable value is determined on the basis of the estimated selling price under normal market conditions, net of direct selling costs.

Obsolete and/or slow-moving inventories are written down in relation to their presumed possibility of future use or realisation. The write-down is reversed in subsequent years if the reasons for the write-down no longer apply.

Inventories of energy efficiency certificates: inventories of energy efficiency certificates are stated at acquisition cost, determined using the weighted average cost method.

Treasury shares

Repurchased treasury shares are deducted from shareholders' equity in a special reserve, including costs directly attributable to the purchase transaction. The original cost of the treasury shares, the benefits from the disposals and any subsequent changes are recognised as changes in equity.

Employee Benefits

Short-term benefits

Short-term employee benefits, which include wages and salaries, additional month's pay, unused holiday time, bonuses and short-term incentive plans, are recognised as an expense when the service giving rise to such benefits is rendered.

Post-employment benefits

Guaranteed employee benefits paid on or subsequent to termination of employment through defined benefit plans are recognised over the vesting period. The liability relating to defined benefit plans, net of any plan assets, is determined on the basis of actuarial assumptions and is recognised on an accrual basis consistently with the period of service required to obtain the benefits.

Defined benefit plans also include the employee severance indemnity (TFR) owed to employees of Group companies, pursuant to Article 2120 of the Italian Civil Code, accrued prior to the 2007 reform of this institution (Finance Act No. 296 dated 27 December 2006), following which, for companies with more than 50 employees, for the amounts accrued as of 1 January 2007, the TFR is configured as a defined contribution plan. For employee severance indemnities accrued subsequent to 1 January 2007, the company's obligation is limited to the payment to the State (known as the INPS Fund) or to a legally distinct asset or entity (known as the Fund) and is determined on the basis of the contributions due.

The Group's obligations are determined separately for each plan by estimating the present value of future benefits that employees have accrued in the current and prior years. This calculation is performed using the projected unit credit method. The components of defined benefits are recognised as follows:

- (i) remeasurement components of liabilities, which include actuarial gains and losses, are recognised immediately in 'other comprehensive income';
- (ii) service costs are recognised in the profit/(loss) for the year within personnel costs;
- (iii) Net financial expenses on defined benefit liabilities are recognised in profit/(loss) for the year within financial expenses.

The remeasurement components recognised in other comprehensive income are never reclassified to profit/(loss) in subsequent periods.

Other long-term benefits

Long-term employee benefits are represented by long-term monetary incentive plans (LTI-GI). The three-year plan provides for the payment of monetary incentives commensurate with the achievement of certain Group goals. The Group's obligation for these employee benefits corresponds to the amount of the future benefit that employees have accrued for their services in the current and prior years. This benefit is determined on the basis of an actuarial calculation and re-measurements over the vesting period are recognised in profit (loss) for the year under personnel expenses.

Employee benefits - Severance pay

The provision for severance pay is determined using actuarial valuations. The actuarial valuation requires the of assumptions about discount rates, future wage increases, turnover and mortality rates. Due to the nature of long term of these plans, these estimates are subject to a significant degree of uncertainty.

Provisions

Provisions relate to costs and charges of a definite nature and of certain or probable existence, the amount or date of occurrence of which could not be determined at the end of the reporting period.

Provisions are recognised when:

(i) there is a present obligation, legal or implied, arising from a past event;

(ii) the performance of the obligation is likely to involve the use of economic resources;

(iii) the amount of the obligation can be reliably estimated.

On the other hand, if it is not possible to make a reliable estimate of the obligation or if it is considered that the disbursement of financial resources is merely possible and not probable, the related contingent liability is not recognised in the financial statements, but adequate disclosure is made in the notes.

Provisions are recognised at the value representing the best estimate of the amount the company would pay to settle the obligation or to transfer it to a third party at the end of the reporting period. If the effect of discounting is significant, provisions are determined by discounting the expected future cash flows. When discounting is performed, the increase in the provision due to the passage of time is recognised as a finance cost.

Share-based payments

Cash-settled share-based payment transactions

The Group has subscribed to remuneration plans based in part on Ascopiave S.p.A. shares liquidated through the delivery of shares (stock option plans long-term incentive plans) recognised as liabilities and measured at fair value at the end of each accounting period and until liquidation. Any subsequent change in fair value is recognised in the income statement.

The remainder of the plan is instead settled in the form of cash-settled options only. The cost of cash-settled transactions is initially measured at the grant date. In particular, the plans adopted by the Group provide for the assignment of rights that entail the recognition in favour of the beneficiaries of a payment of an extraordinary nature linked to the achievement of pre-set goals, and whose financial settlement is based, among other indicators, on the performance of the share price. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is recalculated at each balance sheet date up to and including the settlement date, with all changes in fair value recognised in profit/(loss) for the period within personnel expenses.

During the accounting period 2024, part of the remuneration plans for the three-year period 2024 - 2026 vested, which resulted in the allocation of reserves for the portions to be settled in shares. Considering the rules of the plan, there were no further allocations during the period as the benefits will vest at the end of the period.

For more details on remuneration paid during the year, please refer to "Section II" of the Remuneration Report, prepared pursuant to Article 123 – *ter*, Legislative Decree No. 58/1998 (TUF).

Share-based payment transactions settled in shares

The Group has granted incentive plans based on equity instruments, on the basis of which the Group receives services from its employees, collaborators or proxy directors in exchange for stock grants ('units'). The fair value of the services received is recognised in personnel expenses. The total amount of the cost is determined based on the fair value of the units at the grant date and is offset by an equity reserve.

The total cost is recognised over the vesting period, which is the period in which all the service conditions for the vesting of the rights must be satisfied. At each balance sheet date, the Group revises its estimates based on the number of options expected to vest based on the vesting conditions, which are not market conditions. The effect of any changes from the original estimates is recognised in the income statement in the consolidated profit/(loss) for the year within personnel expenses with a balancing entry in equity.

Derivative financial instruments

A derivative contract is a financial instrument: (i) whose value changes according to changes in a specified interest rate, security or asset price, foreign exchange rate, index of prices or rates, credit rating or other variable; (ii) that requires no or limited initial net investment; (iii) that is settled at a future date.

The Group holds derivative instruments for the purpose of hedging its exposure to the risk of changes in interest rates. These derivatives are measured at their fair value at each balance sheet date. The fair value of these contracts is measured using pricing models and based on observable market data as of 31 December 2023. In addition, the fair value of derivative financial instruments is determined by considering the credit risk of the counterparty of a financial asset (the 'Credit Valuation Adjustment' or CVA) and the risk of default of a financial liability by the entity itself (the 'Debit Valuation Adjustment' or DVA).

Derivatives traded by companies are considered as cash flow hedges of highly probable forecast transactions whenever the conditions for hedge accounting are met. The hedged item is identified in the interest expense. When derivatives hedge the risk of changes in the cash flows of the hedged instruments (cash flow hedge; e.g., hedging the variability of the cash flows of assets/liabilities due to interest rate fluctuations), changes in the fair value of derivatives deemed effective, limited to the spot component of the contracts, are initially recognised in the equity reserve pertaining to the other components of the statement of comprehensive income and subsequently recognised in the income statement consistently with the economic effects produced by the hedged transaction).
Conversely, transactions that, although entered into with the management intent of hedging, do not meet the requirements of international accounting standards for the application of hedge accounting are classified as 'trading' instruments. In this case, changes in the fair value of derivative instruments are recognised in profit/(loss) for the period in which they arise.

Within the defined risk management strategy and goals, the qualification of transactions as hedges requires: (i) verifying the existence of an economic relationship between the hedged item and the hedging instrument; (ii) verifying that the effect of credit risk does not outweigh the changes in value resulting from the economic relationship; (iii) defining a hedge ratio consistent with the risk management goals, within the defined risk management strategy, taking appropriate rebalancing actions where necessary.

Derivatives embedded in financial assets/liabilities are separated and measured independently at fair value, except in cases where the derivative's exercise price at the inception date approximates the value determined on the basis of the amortised cost of the relevant asset/liability. In this case, the valuation of the embedded derivative is absorbed in that of the financial asset/liability.

Fair Value Hierarchy
Financial assets and liabilities measured at fair value are classified into a three-tier hierarchy based on how fair value is determined, i.e. on the relevance of the information (inputs) used in determining value:

(i) **Level 1**, financial instruments whose fair value is determined on the basis of a quoted price in an active market;
(ii) **level 2**, financial instruments whose fair value is determined by means of valuation techniques that use parameters observable directly or indirectly on the market. Instruments valued on the basis of market *forward* curves and short-term contracts for differences are classified in this category;
(iii) **Level 3**, financial instruments whose fair value is determined using valuation techniques that make reference to parameters that cannot be observed in the market or using only internal estimates.

As at 31 December 2024, the Group held one type of derivative financial instrument on interest rates, traceable to the level 2 hierarchy, and a second type traceable to the level 3 hierarchy on the fair value valuation of investments in other companies Acinque S.p.A., Acantho S.p.A. and Hera Comm S.p.A..

Revenue
The recognition of revenue from contracts with customers is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the identified performance obligations based on the stand-alone selling price of each good or service; (v) recognition of revenue when the relevant performance obligation is met, i.e. upon transfer to the customer of control of the promised good or service, which may occur continuously (over time) or at a specific point in time.
Depending on the type of the Group's main operations, revenues are recognised on the basis of the specific metrics set out below:
(i) revenues for the transportation of natural gas are recognised at the time the supply or service is provided, even if not invoiced, and are determined by integrating with appropriate estimates those recognised during the accounting period on the basis of the so-called reference tariffs in order to determine the Total Revenue Constraint as provided

for by the provisions of the Regulatory Authority for Energy, Networks and Environment. In fact, the authority establishes that the total annual revenues due to each gas distribution company coincide with an amount already established when the tariff requests were approved, called the Total Revenue Constraint (VRT) or Constraint on Allowed Revenues and constituted by the maximum remuneration recognised to each operator to cover its costs. For each distribution company, in each year t, the authority determines a $VRT_{t,}$ constraint on the allowed revenues to cover the costs of providing the distribution service and the metering service;

(ii) contributions received from users in respect of allotment works, if they are not in respect of costs incurred in extending the network, are recognised in the income statement;

(iii) revenues from services are recognised with reference to the stage of completion of the activities. If the value of revenues cannot be reliably determined, they are recognised up to the amount of costs incurred that are expected to be recovered;

(iv) Revenues are recorded net of returns, discounts, allowances and premiums, as well as directly related taxes;

Government grants: government grants are recognised when it is reasonably certain that they will be received and all conditions attaching to them have been met. When government grants are related to cost components, they are recognised as revenue but are allocated systematically over the periods so as to be commensurate with the costs they are intended to compensate. When the grant is related to an asset, the asset and the grant are recognised for their nominal values in the liabilities at the time of payment and the release to the income statement takes place progressively over the expected useful life of the relevant asset on a straight-line basis.

Private contributions: it should be noted that private contributions received up to 31 December 2013 for the construction of direct distribution sections and user derivations were recognised in full in the income statement at the time the costs were incurred for the construction of the same and the work was put into operation. Contributions received for the realisation of these works that were not related to the costs incurred for their realisation were suspended in the liabilities and charged to the profit and loss account when the conditions were realised. Private grants received for the construction of the network and user derivations are recognised as of 1 January 2014 in liabilities at the time of payment and charged to the income statement from the date of construction of the infrastructure, consistent with the recognition of the costs to which the works relate and their useful life.

Income taxes: current taxes are calculated on the basis of estimated taxable income and recognised for the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those enacted or substantively enacted at the balance sheet date. Current taxes related to items recognised directly in equity are recognised directly in equity and in other comprehensive income.
As regards corporate income tax (IRES), the subsidiaries of Ascopiave S.p.A. (AP Reti Gas S.p.A, AP Reti Gas Nord Ovest S.p.A.) exercised the option for the national tax consolidation regime pursuant to articles 117/129 of the Consolidated Income Tax Law (T.U.I.R.) for the three-year period 2022 - 2024, while Asco Power S.p.A., Cart Acqua S.r.l., Green Factory S.r.l. and Asco Wind & Solar S.r.l. exercised the option for the three-year period 2023 - 2025.
This option allows IRES to be determined on a taxable base corresponding to the algebraic sum of the positive and negative taxable amounts of the individual companies participating in the consolidation. Ascopiave S.p.A. acts as the consolidating company and determines a single taxable base for the group of companies participating in the national tax consolidation.
Each of the adhering companies transfer tax income (taxable income or tax loss) to the consolidating company by recording in the income statement under taxes an item "charges for adherence to tax consolidation" or "income from adherence to tax consolidation" for an amount equal to the current IRES for the year (or the loss transferred) that will be paid or used by the parent company Ascopiave S.p.A.
Deferred tax assets are recognised for all deductible temporary differences and for tax assets and liabilities carried forward, to the extent that it is probable that there will be adequate future taxable profit to utilise the deductible temporary differences and tax assets and liabilities carried forward, except where:

(i) the deferred tax asset associated with deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the profit for the period calculated for financial reporting purposes nor the profit or loss calculated for tax purposes;

(ii) With respect to taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and that there are adequate taxable profits against which the temporary differences can be utilised.

Deferred tax assets and liabilities are classified as non-current assets and liabilities and are offset at the individual company level if they relate to taxes that can be offset. The balance of the offset, if an asset, is entered under 'Deferred tax assets'; if a liability, under 'Deferred tax liabilities'.

Income tax assets and liabilities include the effects of uncertain tax treatments with probable risk.

When the results of operations are recognised directly in equity, the related current taxes, deferred tax liabilities and deferred tax assets are also recognised in equity.

Earnings per share: earnings per share are calculated by dividing the net profit for the year attributable to the company's shareholders by the weighted average number of shares less treasury shares. For the purpose of calculating the basic earnings per share, it should be noted that the numerator is the profit for the year less the portion attributable to minority interests. It should be noted that there are no preference dividends, conversion of preference shares and other similar effects that should adjust the economic result attributable to holders of ordinary capital instruments. Diluted earnings per share are equal to earnings per share as there are no ordinary shares that could have a dilutive effect and no shares or warrants that could have the same effect.

Use of estimates

The preparation of financial statements requires the directors to make accounting estimates based on complex and/or subjective judgments, past experience and assumptions that are believed to be reasonable and realistic on the basis of information known at the time of the estimate. The use of these estimates affects the values of assets and liabilities in the consolidated financial statements, as well as the amount of revenues and expenses and the disclosure of contingent assets and liabilities in the reporting period. If in the future these estimates and assumptions, which are based on management's best judgment, should differ from the actual circumstances, they will be modified as appropriate in the period in which the circumstances arise.

Estimates are used to detect:

- duration and residual value of assets under concession: the activity of natural gas distribution is performed under concession, through the entrusting of the service by local public entities. With regard to the duration of concessions, Legislative Decree No. 164/00 (Letta Decree) established that all concessions must be put out to tender by the end of the so-called "transitional period" (for the Ascopiave Group in the period between 31 December 2010 and 31 December 2012) and that the new duration of concessions may not exceed twelve years. Upon the expiry of the concessions, the outgoing operator, in exchange for the transfer of its distribution networks, excluding freely transferable assets, shall be paid an indemnity defined on the basis of industrial estimate metrics. In relation to the estimates made by the directors when determining the depreciation metrics, the net book value of the assets at the expiry of the concession should not exceed the aforementioned industrial value. The estimates are also used to assess the effects of disputes on the application of distribution and/or sales tariffs and those with the municipalities for the recognition of the redemption value of the assets covered by the concession returned upon its expiry;
- impairment of non-financial assets: the Group verifies, at each balance sheet date, whether there are any indicators of impairment for all non-financial assets. Goodwill is tested for impairment at least annually and during the year if such indicators exist; this test requires an estimate of the value in use of the cash-generating unit to which the goodwill is allocated, which in turn is based on an estimate of the cash flows expected from the unit and their discounting using an appropriate discount rate. At 31 December 2024, the carrying amount of goodwill was Euro 61,727 thousand (2023: Euro 61,727 thousand). Further details are provided in Note 1;
- provisions for bad debts inventory obsolescence, useful lives of intangible and tangible assets and related depreciation and amortisation, employee benefits and phantom stock option plans provisions for risks and charges.

Estimates and assumptions are reviewed periodically, and the effects of any changes are reflected immediately in profit/(loss) for the year. In applying the accounting policies, the Directors have made decisions based on the aforementioned discretionary assessments that have a significant effect on the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could lead to outcomes that will require significant adjustment to the carrying value of these assets and/or liabilities in the future.

Impairment of assets
At least once a year, the Group performs an impairment test on tangible and intangible assets if they have an indefinite life or even during the year in the presence of events that indicate that the carrying value is not recoverable. In particular, goodwill is tested for impairment at least annually and during the course of the year if such indicators exist; this test requires an estimate of the value in use of the cash-generating unit to which the goodwill is attributed, which in turn is based on an estimate of the expected cash flows from the unit and their discounting using an appropriate discount rate.
More information can be found in the commentary notes.

Energy Efficiency Titles
Energy Efficiency Certificates purchased during the year are recognised in the income statement at cost incurred. The quantity of securities not yet purchased but necessary to achieve the target for the year is recognised at the current market value of the price of the securities. The related grant that will be paid by the CSEA when the securities are cancelled is recognised in revenue at the current value of the grant determined on the basis of the expected redemption price at year-end.

Depreciation and amortisation
Depreciation is calculated on the basis of the estimated useful life of the asset or the residual duration of the concession; the useful life is determined by the directors, with the assistance of technical experts at the time the asset is recognised in the financial statements; assessments of the useful life are based on historical experience, market conditions and expectations of future events that could affect the useful life, including technological changes. The company periodically assesses technological and industry changes, decommissioning/closure costs and salvage value to update the remaining useful life. This periodic update could result in a change in the depreciation period and therefore also in the depreciation charge for future years. In this regard, it should be noted that during the year, given the regulatory and regulatory framework of the field in which the Group's distribution companies operate and the extraordinary transactions that involved them, the depreciation rates of the companies concerned were aligned with the degradation percentages indicated by the Regulatory Authority for Energy, Networks and Environment (ARERA).

Rights of Use and Lease Liabilities
The determination of usage rights and lease liabilities under IFRS 16 introduces some elements of judgement that involve the definition of certain accounting policies and the use of assumptions and estimates mainly in relation to the definition of the lease term and the definition of the incremental borrowing rate.

Other estimation processes
Estimates are also used to recognise provisions for bad debts, provisions for risks and charges, and write-downs of assets, fair value of derivative financial instruments, and valuation of intangible assets in business combinations accounted for under IFRS 3.
Estimates and assumptions are reviewed periodically, and the effects of any changes are reflected immediately in the accounts.
economic.

NOTES TO THE ITEMS IN THE CONSOLIDATED BALANCE SHEET

Non-current assets

1. Goodwill

Goodwill, amounting to Euro 61,727,000 as of 31 December 2024, was unchanged from 31 December 2023.
The amount refers in part to the surplus value resulting from the contribution of the gas distribution networks made by member municipalities in the accounting periods between 1996 and 1999, and in part to the surplus value paid during the acquisition of some branches of the company related to natural gas distribution. The goodwill recognised in relation to natural gas distribution activities amounts to Euro 54,506,000.
Goodwill also includes capital gains resulting from the acquisition of assets operating in the renewable energy production sector for a total of Euro 7,220,000.

The CGUs identified are the following: Gas Distribution CGU, Renewable Energy CGU, Energy Efficiency CGU, Water Service CGU. The considerations made in determining the CGUs are consistency with the business segments used for the purposes of periodic internal reporting and with operating segment reporting, consistency with the Group's strategic business vision and compliance with the maximum aggregation constraint. The CGUs identified constitute 'the smallest group of activities generating cash inflows' and allow the Group's performance to be compiled and monitored by homogeneous and independent areas of activity. Below is a brief description of the CGUs identified:

- Gas Distribution CGU: consisting of the operation, development and maintenance of gas distribution networks and plants on the basis of concessions/trusts from 301 municipalities. The concessions are held by the companies AP Reti Gas and AP Reti Gas Nord Ovest;
- Renewable Energy CGU: comprised of the operation, development and maintenance of renewable energy plants (hydroelectric and wind power generation). The activities are performed by the companies Asco Power and Asco Wind & Solar;
- Energy Efficiency CGU: consisting of the specific business segment managed by the company Asco Power, which deals with the management of cogeneration plants and the fulfilment of energy efficiency obligations of Group companies through the purchase of white certificates;
- Water Service CGU: formed by the activities of Cart'Acqua, a shareholder and technology partner of COGEIDE, a company operating in the management of the integrated water service in some municipalities in the province of Bergamo.

For the purposes of determining the recoverable amount, goodwill is allocated to the Cash Generating Units consisting of the natural gas distribution business (Gas Distribution CGU) and the renewable electricity generation business (Renewable Energy CGU).

For the purposes of determining the recoverable amount, goodwill is allocated to the Cash Generating Units consisting of the natural gas distribution business (Gas Distribution CGU) and the renewable electricity generation business (Renewable Energy CGU).

The table below shows the balance of goodwill recorded at the end of the accounting periods considered:

(Thousands of Euro)	31th December 2024	31th December 2023
Distribution of natural gas	54,506	54,506
Energy production from renewable sources	7,220	7,220
Goodwill	**61,727**	**61,727**

The recoverability of goodwill was tested by comparing the recoverable amount of the CGUs to which goodwill is allocated with their carrying value. The recoverable amount is based on value in use, which is determined using the Discounted Cash Flow (DCF) methodology by discounting the operating cash flows generated by the assets at a discount rate representative of the cost of capital.

The Renewable Energy CGU includes the management of all of the Group's power generation plants belonging to different legal entities, which is performed with a unitary and Group-wide business logic, as is the case for the gas distribution business.
The cash flows used for the calculation of the recoverable amount reflect the economic-financial projections formulated by management with respect to the assets currently held by the Group and assuming their continued management. The economic-financial projections used refer, with the exceptions highlighted below, to the period 2025-2028 and were examined and approved by the parent company's Board of Directors on 20 February 2025.

With reference to the activity of natural gas distribution, the current sector regulations provide that the natural gas distribution service is entrusted through tendering procedures to be performed by minimum territorial areas according to predefined time limits.
The tender procedures for the assignment of the territorial ambits in which the vast majority of the concessions currently held by the Group are included have not yet reached the stage of publication of the call for tenders. Considering the uncertainty on the timing of the possible start of future Ambit concessions, the valuation method adopted to determine the value in use of the gas distribution CGU assumes that the Group, in the four-year period 2025-2028, will maintain the management of the current portfolio of municipal concessions. This management is based on the following main assumptions:

- ✓ projected transportation revenues for the year 2025 estimated by applying the tariff rules already fully defined by the industry authority;
- ✓ projected transportation revenue for the three-year period 2026-2028 estimated through an update of the 2025 Revenue Constraint based on the rules in force and considering a constant rate of return on invested capital equal to 5.9% (as set forth in Appendix A of Arera Resolution 513/2024) and annual inflation rate for the period (and the gross fixed capital formation deflator) equal to 2.00%.

It was therefore assumed that in the years 2025-2028 the CGU would generate the expected cash flows under the assumption of continuity of operations, while, in view of the uncertainty surrounding the renewal of concessions, the terminal value of the CGU was estimated by assuming two alternative scenarios:

- Scenario 1: assumes that the Group obtains at the end of 2028 the renewal of all concessions and franchises outstanding at 31 December 2024;
- Scenario 2: envisages that the Group in 2028 will terminate the operation of the gas distribution service, realising the redemption value of the plants pursuant to Article 15 of Legislative Decree No. 164/2000.

In Scenario 1, the terminal value was determined as an estimate of a perpetuity starting from the last year specified in the financial projections and taking into account the possible economic conditions of concession renewal.
The growth factor (g) used to calculate the terminal value was assumed to be 2.00% (2.00% as at 31 December 2023), in line with the long-term inflationary growth forecast for Italy by the International Monetary Fund.

The weighted average cost of capital (WACC) of the gas distribution CGU was estimated by assuming:

a) a *levered* beta coefficient determined by reference to unlevered betas of companies operating in comparable industries;
b) a level of financial leverage (ratio of financial debt to equity) derived from an analysis of the structure of financing sources of listed companies operating in comparable sectors;
c) a *market risk premium of* 5.5 per cent (5.5 per cent as of 31 December 2023), defined as the yield spread (long-term historical) between equities and bonds in mature financial markets;
d) a *risk-free* rate equal to the average of the daily yields of Italian long-dated government bonds (10-year BTPs) in the six months prior to 31 December 2024;
e) a cost of debt consistent with the corporate yield curve of comparable BBB-rated companies;
f) *an additional risk premium* for the calculation of the cost of equity (Ke) of 1.0% (1.2% as at 31 December 2023) due to the different size scale of comparables.

Based on these elements, the post-tax weighted average cost of capital is 5.4% (5.9% as of 31 December 2023). This rate was used to discount cash flows over the explicit period of the 2025-2028 Plan.

The cost of capital used to determine the perpetuity value and the *terminal value* discount coefficient is 5.9% (6.4% as of 31 December 2023) and was calculated based on the above parameters and including an *additional risk premium* for the calculation of the cost of equity (Ke) of 2.0% (2.2% as of 31 December 2023) to take into account both the different size scale of the comparables and the uncertainty on the possible renewal of the concessions and the related extension conditions.
Considering the assumptions described, in both scenario 1 and scenario 2, the recoverable value of the gas distribution CGU is higher than its book values, and therefore the conditions do not exist to write-down goodwill for impairment.
Sensitivity analyses performed by management showed that, all other factors being equal, a 2.5% increase in WACC in the liquidation scenario and a 0.7% increase in WACC in the continuity scenario would not result in a loss, leading only to a reduction of the available cover to zero.

With reference to the activity of electricity generation from renewable sources, the value in use was determined by applying the DCF method to the cash flows expected from the operation of the various plants up to the date of expiry of the relevant concessions (large hydro-electric derivations) or their presumed residual technical-economic useful life, quantified as 14 years for small derivations and 30 years for wind farms, as supported by industry studies.

The weighted average cost of capital (WACC) of the renewable energy CGU was estimated by assuming:

a) a *levered* beta coefficient determined by reference to unlevered betas of companies operating in comparable industries;
b) a level of financial leverage (ratio of financial debt to equity) derived from an analysis of the structure of financing sources of listed companies operating in comparable sectors;
c) a *market risk premium of* 5.5 per cent (5.5 per cent as of 31 December 2023), defined as the yield spread (long-term historical) between equities and bonds in mature financial markets;
d) a *risk-free* rate equal to the average of the daily yields of Italian long-dated government bonds (10-year BTPs) in the six months prior to 31 December 2024;
e) a cost of debt consistent with the corporate yield curve of comparable BBB-rated companies;
f) *an additional risk premium* for the calculation of the cost of equity (Ke) of 1.0% (1.2% as at 31 December 2023) due to the different size scale compared to comparables.

Based on these elements, the post-tax weighted average cost of capital is 6.2% (7.2% as at 31 December 2023). This rate was used to discount the cash flows for the entire period of operation.
The value in use of the CGU is higher than its carrying amount. Sensitivity analyses performed by management have shown that, all other factors being equal, a 0.3% increase in WACC does not result in an impairment loss, leading only to a reduction of the available cover to zero.

Estimating the recoverable amount of cash-generating units requires management's discretion and use of estimates. Various factors, including changes in the regulatory environment, may require a restatement of any impairment losses. Circumstances and events that could cause a further impairment test are constantly monitored by the Company.

Ascopiave S.p.A. is a holding company that carries out strategic management and coordination activities for the Ascopiave Group. In compliance with accounting standard IAS 36, the recoverability of the so-called 'corporate assets' of Ascopiave S.p.A. was verified, i.e. the assets and liabilities relative to the central activities of Ascopiave S.p.A. that were not allocated to the CGU as part of the first-level impairment test. The test was performed from a consolidated perspective (second level test), as required by IAS 36, and the subject of the test was therefore the consolidated net invested capital of Ascopiave, net of the equity investments not consolidated on a line-by-line basis. In particular, the recoverable value was calculated as the sum of the recoverable values (i) of the gas distribution CGU, the renewable energy CGU, the energy efficiency CGU and the water service CGU described above (ii) of the other shareholdings, determined in the first level impairment test, and the recoverable value (iii) of the corporate CGU.

With reference to the recoverable amount of the company Ascopiave, the cash flows used incorporate the forecasts formulated by management for the company for the period 2025-2028. The terminal value was determined as an estimate of a perpetuity starting from the results forecast for 2028.

The weighted average cost of capital (WACC) has been estimated as the average of the WACCs of the Gas Distribution CGU, the Renewable Energy CGU, the Energy Efficiency CGU and the Water Service CGU weighted by the incidence of the net invested capital of these CGUs on the total and is equal to 5.5% in the liquidation scenario and 5.9% in the continuity scenario.

The impairment test took into account the possible effects of climate change. With regard to the Gas Distribution CGU, the liquidation scenario reflects the assumption of an exit from the business in 2028 and, in the explicit period of the plan, i.e. in the short-to-medium term, it is reasonable to assume that there will be no significant effects caused by climate change. In the continuation hypothesis, it is considered that the impact of climate risks is implicitly incorporated in the valuation of the discount rate used in the calculation of the terminal value, though, among other things, the application of an equity cost increase as an execution risk premium, which therefore forcibly assumes a general uncertainty of context also related to this factor, in addition to the market conditions inherent to the renewal conditions of the concessions themselves.
With regard to the Renewable Energies CGU, the assumptions regarding plant producibility intercept rainfall/wind/solar radiation phenomena in a conservative manner, referring to average statistical data, thus implicitly taking into account the possible effects of climate change.

In conclusion, the recoverable amount thus determined is higher than the book values and therefore the conditions for goodwill impairment do not exist.

2. Intangible Assets

The table below shows the development of the historical cost and accumulated amortisation of other intangible assets at the end of the accounting periods considered:

	31.12.2024			31.12.2023		
(Thousands of Euro)	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
Industrial patent and intellectual property rights	14,119	(8,629)	5,490	12,994	(7,339)	5,655
Concessions, licences, trademarks and similar rights	19,084	(16,625)	2,459	19,075	(16,382)	2,693
Other intangible assets	13,861	(7,059)	6,802	12,213	(5,137)	7,076
Intangible assets under IFRIC 12 concession	1,368,729	(681,711)	687,018	1,292,708	(643,199)	649,509
Intangible assets in progress under IFRIC 12 concession	23,455	0	23,455	39,498	0	39,498
Intangible assets in progess and advances payments	469	0	469	196	0	196
Other intangible assets	**1,440,237**	**(714,544)**	**725,693**	**1,377,109**	**(672,482)**	**704,627**

The table below shows the changes in intangible assets in the year under review and in the previous year:

	31.12.2023						31.12.2024
(Thousands of Euro)	Net value	Change for the year	Decrease	Reclassification	Amortizations during the year	Depreciations of accumulated depreciation	Net value
Industrial patent and intellectual property rights	5,655	868			1,033		5,490
Concessions, licences, trademarks and similar rights	2,693	126			360		2,459
Other intangible assets	7,076	5		22	300		6,802
Intangible assets under IFRIC 12 concession	649,509	47,151	(6,289)	32,963	39,439	3,124	687,018
Intangible assets in progress under IFRIC 12 concession	39,498	17,115	(183)	(32,975)	0		23,455
Intangible assets in progess and advances payments	196	284		(10)	0		469
Other intangible assets	**704,627**	**65,548**	**(6,473)**	**0**	**41,133**	**3,124**	**725,693**

	31.12.2022							31.12.2023
(Thousands of Euro)	Net value	Change for the year	Enlargement of the consolidation perimeter	IFRS 5 reclassification	Decrease	Amortizations during the year	Depreciations of accumulated depreciation	Net value
Industrial patent and intellectual property rights	5,682	860	0		(3)	884	0	5,655
Concessions, licences, trademarks and similar rights	3,374	(0)	0		0	681		2,693
Other intangible assets	7,270	35	0		0	230		7,076
Intangible assets under IFRIC 12 concession	635,907	67,321	763	(1,457)	(17,810)	36,893	1,677	649,509
Intangible assets in progress under IFRIC 12 concession	45,934	(6,392)	0		(44)	0		39,498
Intangible assets in progess and advances payments	229	(33)	0		0	0		196
Other intangible assets	**698,397**	**61,792**	**763**	**(1,457)**	**(17,857)**	**38,689**	**1,677**	**704,627**

At year-end, intangible assets amounted to Euro 725,693,000, with an increase of Euro 21,066,000 compared to 31 December 2023.
Investments mainly relate to costs incurred for the construction of the infrastructure necessary for the distribution of natural gas.

Industrial Patent and Intellectual Property Rights

During the year, the item 'Industrial Patent Rights and Intellectual Property Rights' recorded investments of Euro 868,000 and amortisation charges of Euro 1,033,000. Capital expenditure mainly related to the purchase of software licences.

Concessions, licences, trademarks and similar rights

The item mainly includes the costs recognised to the granting bodies (municipalities) and/or outgoing operators following the award and/or renewal of the relative tenders for the assignment of the natural gas distribution service, rather than costs for the acquisition of user licences.
During the year under review, the item recorded investments of Euro 126,000 and depreciation charges of Euro 360,000. The concessions obtained, following the implementation of Legislative Decree No. 164/00 (Letta Decree), are amortised over a useful life of 12 years pursuant to the duration of the concession provided for in the decree.

Other intangible fixed assets

Other intangible assets recorded insignificant investments and amortisation for the year amounted to Euro 300,000.

Intangible assets under IFRIC 12 concession

This item includes costs incurred for the construction of the natural gas distribution plants and network, connections to it, and the installation of reduction units and meters.
At the end of the accounting period the item recorded an overall net positive change equal to Euro 37,509 thousand. The increase shown by the item is mainly explained by investments made in infrastructures suitable for the distribution of gas and by the reclassification of investments made during previous accounting periods but which became operative during the accounting period of reference. The investments made are equal to Euro 47,151 thousand while, during the year, investments made in previous years were put into operation for a total of Euro 32,963 thousand. The increase was partially offset, in the amount of Euro 39,439 thousand, by depreciation charges for the year. The net decreases recognised, amounting to Euro 3,166 thousand, are mainly related to the disposal of meters.
Infrastructures located in municipalities in which the concession for natural gas distribution has not been put out to tender are depreciated by applying the lower of the useful life indicated by ARERA in the tariff framework and the duration of the concession if the latter provides for the free devolution of the assets.

Intangible assets in progress under IFRIC 12 concession

The item includes the costs incurred for the construction of the natural gas distribution plants and network, which were partially constructed in-house and not completed as at 31 December 2024.
This item recorded a net decrease of Euro 16,043,000 in the year 2024. The decrease recorded is mainly explained by the reclassification of investments made in previous years but entering into operation during 2024 in the amount of Euro 32,975 thousand.

Intangible assets in progess and advances payments

The item includes costs sustained for the purchase of management software related to the core business of natural gas distribution and not completed at the end of the accounting period. The investments made during the year are equal to Euro 284 thousand.

3. Property, plant and equipment

The table below shows the development of the historical cost and accumulated depreciation of tangible fixed assets at the end of the accounting periods considered:

	31.12.2024				31.12.2023			
(Thousands of Euro)	Historic cost	Accumulated depreciation	Provision for impairment	Net value	Historic cost	Accumulated depreciation	Provision for impairment	Net value
Lands and buildings	62,953	(22,688)	(265)	40,001	58,136	(21,200)	(265)	36,671
Plant and machinery	197,445	(106,789)	(1,132)	89,524	161,926	(99,933)	(1,132)	60,862
Industrial and commercial equipment	6,146	(4,695)	0	1,451	5,428	(4,545)		883
Other tangible assets	25,555	(22,252)	0	3,302	24,589	(21,280)		3,308
Tangible assets in progress and advance payments	15,868	0	(55)	15,814	41,719	0	(55)	41,665
Rights of use	16,297	(4,492)		11,805	16,488	(3,403)		13,085
Property, plant and equipment	**324,264**	**(160,915)**	**(1,451)**	**161,897**	**308,286**	**(150,360)**	**(1,451)**	**156,475**

The table below shows the changes in tangible fixed assets in the year under review and in the previous year:

	31.12.2023						31.12.2024
(Thousands of Euro)	Net value	Change for the year	Decrease	Reclassification	Amortizations during the year	Depreciations of accumulated depreciation	Net value
Lands and buildings	36,671	568		4,141	1,380		40,001
Plant and machinery	60,862	2,623	(29)	32,841	6,773	0	89,524
Industrial and commercial equipment	883	720	(8)		152	8	1,451
Other tangible assets	3,308	952	(1)	12	971	1	3,302
Tangible assets in progress and advance payments	41,665	11,161	(17)	(36,995)	0	0	15,814
Rights of use	13,085	92			1,372		11,805
Property, plant and equipment	**156,475**	**16,117**	**(56)**	**0**	**10,648**	**9**	**161,897**

	31.12.2022					31.12.2023
(Thousands of Euro)	Net value	Change for the year	Decrease	Delivery of Atem Udine 2 systems	Amortizations during the year	Net value
Lands and buildings	30,966	7,017		(64)	1,247	36,671
Plant and machinery	66,371	512			6,021	60,862
Industrial and commercial equipment	838	178			133	883
Other tangible assets	3,319	875			886	3,308
Tangible assets in progress and advance payments	24,620	16,992	(53)		0	41,665
Rights of use	12,319	2,023			1,256	13,085
Other tangible assets	**138,432**	**27,597**	**(53)**	**(64)**	**9,543**	**156,475**

Tangible assets increased from Euro 156,475 thousand at 31 December 2023 to Euro 161,897 thousand at 31 December 2024, showing an increase of Euro 5,422 thousand.

<u>Land and buildings</u>
The item mainly includes owned buildings related to the company headquarters, offices and peripheral warehouses, as well as land and buildings where renewable energy production plants are located.
During the year, the item recorded investments amounting to Euro 568,000 and depreciation charges amounting to Euro 1,380,000. Capital expenditures are mainly explained by costs incurred for the purchase of land.

<u>Plant and machinery</u>
This item mainly includes the book values of power generation plants from renewable sources operated by the Group, specifically hydroelectric and wind power.
At the end of the reporting year, the item recorded an increase of Euro 28,662 thousand. The recorded increase is mainly explained by the reclassification of assets under construction recorded until 31 December 2023 in relation to the wind farm realised by the subsidiary Asco Wind & Solar S.r.l., which came into operation in February 2024.
Depreciation for the year amounted to Euro 6,773,000.

Industrial and commercial equipment

Industrial and commercial equipment recorded investments of Euro 720 thousand.

The item includes costs incurred for the purchase of instruments necessary for the maintenance service of the distribution plants and measurement activity. The amortisation quotas for the accounting period are equal to Euro 152,000.

Other tangible assets

Capital expenditure in the year amounted to Euro 952,000 and was mainly explained by costs incurred for the purchase of company vehicles and hardware. Depreciation for the year amounted to Euro 971,000.

Tangible assets in progress and advance payments

The item essentially includes costs incurred for the construction of plants for the production of energy from renewable sources, as well as, to a lesser extent, extraordinary maintenance work on company premises and/or peripheral warehouses, which had not been completed at the end of the accounting period.

During the year, this item recorded a net decrease of Euro 25,851,000 mainly related to the reclassification of investments made up to 31 December 2023 in connection with the wind farm that came into operation during the year.

Rights of Use

This item includes rights of use related to the application of IFRS 16. The application of the standard mainly concerned operating leases relating to tangible fixed assets such as. rental of buildings, rental of motor vehicles and trucks, and specifically on the hydroelectric energy production plant for the construction of which a lease contract was signed, constituting the majority portion.

During the year, this item recorded an increase of Euro 92,000 and depreciation charges of Euro 1,372,000.

4. Investments

The table below shows the changes in investments at the end of each accounting period examined:

(Thousands of Euro)	31th December 2023	Decrese	IFRS 5 reclassification	Measurement with (o under) the equity method	31th December 2024
Equity-accounted investments	211,074	(8,361)	(202,389)	7,892	8,216
Investments in other companies	97,257	(1)			97,256
Investments	**308,331**	**(8,362)**	**(202,389)**	**7,892**	**105,472**

During the year, the item shareholdings recorded an overall decrease of Euro 202,859,000 related to the shareholdings in affiliated companies better described in the following sections.

The table below shows the details of the investments recorded at the end of the accounting periods considered:

(Thousands of Euro)	31th December 2024	31th December 2023
Investments in Estenergy S.p.A.	(0)	202,838
Investments in Cogeide S.p.A.	8,216	8,236
Equity-accounted investments	**8,216**	**211,074**
Investments in Hera Comm S.p.A.	53,331	53,331
Investments in Acinque S.p.A.	21,623	21,623
Investments in Acantho S.P.A.	22,301	22,301
Investments in Banca Prealpi SanBiagio Credito Coop.	1	1
Investments in BCC Busto Garolfo e Buguggiate	0	1
Investments in A2A SECURITY	1	1
Investments in other companies	**97,256**	**97,257**
Investments	**105,472**	**308,331**

Equity-accounted investments
The change recorded during the year, equal to Euro 202,858 thousand, is mainly explained by the exercise of the put option, by the parent company Ascopiave S.p.A., on the 25% shareholding held in Estenergy S.p.A.. The exercise of the put option took place during the fourth quarter of the year while, the sale, will be finalised during the 2025 accounting period and consequently the value of the shareholding, measured as of 30 September 2024 using the equity method of valuation, was subject to reclassification to the item "assets held for sale" in compliance with the dictates of international accounting standard IFRS 5.
As of 31 December 2024, the item shareholdings in affiliated companies, equal to Euro 8,216 thousand, includes only the 18.33% shareholding held in Cogeide S.p.A., whose decrease of Euro 20 thousand as compared to the previous year is explained by the results achieved by the same for Euro 181 thousand, net of the dividends received by the same for Euro 202 thousand.

Investments in other companies
At the end of the accounting period 2024, investments in other companies amounted to Euro 97,256,000, in line with the previous year.
The item includes equity investments consisting for Euro 53,331 thousand of 3% of the share capital of Hera Comm, the value of which was subject to a reduction of Euro 669 thousand in 2022, for Euro 21,623 thousand of 5% of the share capital of Acinque S.p.A., the value of which was subject to a reduction of Euro 1,806 thousand in 2020 and of Euro 3,300 thousand in 2023, and for Euro 22,301 thousand of 11.35% of the share capital of Acantho S.p.A..
With reference to the latter, it should be noted that the Hera Group and the Ascopiave Group approved on 27 July 2023, at the Extraordinary Shareholders' Meetings of the subsidiaries Acantho and Asco TLC, the merger by incorporation of the latter into Acantho. The merger, which took effect for accounting and tax purposes retroactively as of 1 January 2023, took effect as of 1 October 2023 and, following the transaction, Acantho shareholders own the following shares: Hera S.p.A. 70.16%, Con.AMI 16.84%, Ascopiave 11.35%, Province of Treviso 1.65%.
The item also includes residual holdings amounting to Euro 2 thousand relating to the shares in Banca Prealpi San Biagio Credito Cooperativo - Soc. Coop. for Euro 1 thousand and in A2A SECURITY for Euro 1 thousand.
Investments in other companies fall into the category of financial assets measured at fair value and changes in fair value subsequent to initial recognition are recognised in the statement of comprehensive income (FVOCI). It is specified that financial instruments measured at fair value belong to valuation hierarchy level 2.

It should be noted that Ascopiave S.p.A. holds put options on the shareholding held in Hera Comm.
At the end of the year, these options were not valued in the balance sheet because their fair value was lower than the current recoverable value of the investments.

5. Other non-current assets

The table below shows the balances of other non-current assets at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Security deposits	1,076	1,060
Other receivables	4,619	2,419
Other non-current assets	**5,695**	**3,478**

At the end of the 2024 accounting period, non-current assets recorded an overall increase compared to the previous year of Euro 2,217 thousand. The increase is mainly explained by the suspension of costs incurred as part of the transaction being finalised with A2A S.p.A. described under 'significant events during the year' in this annual financial report.
Non-current receivables recognised at the end of the year under review relate to security deposits in the amount of Euro 1,076 thousand and other receivables in the amount of Euro 4,619 thousand.

6. Non-current financial assets

The table below shows the balance of non-current financial assets at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Other receivables of a financial nature over 12 months	2,249	2,507
Non-current financial assets	**2,249**	**2,507**

Non-current financial assets decreased from Euro 2,507,000 in 2023 to Euro 2,249,000 in the year under review, showing a decrease of Euro 258,000.
The item includes financial receivables recognised in respect of local entities and deriving from settlement agreements signed in previous years with them for the valorisation of natural gas distribution infrastructures.
The value recorded under non-current financial assets represents the amounts due subsequent to 12 months from the closing date of this annual financial report and due to the duration of the agreed instalment plan.
The post has been discounted.

7. Deferred Tax Assets

The table below shows the balance of deferred tax assets at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Deferred tax assets	38,524	39,301
Deferred tax assets	**38,524**	**39,301**

Deferred tax assets decreased from Euro 39,301,000 at year-end 2023 to Euro 38,524,000 at year-end 2024, with a decrease of Euro 777,000.
In calculating taxes, reference was made to the current IRES rate and, where applicable, the current IRAP rate, in relation to the tax period encompassing the date of 31 December 2024 and the time when any temporary differences are expected to reverse.

	31th December 2024			31th December 2023		
Description	Temporary differences	Tax rate	Total effect	Temporary differences	Tax rate	Total effect
Allocation of bad debt provisions	446	24.0%	107	574	24.0%	138
Previous years tax losses	3,469	24.0%	832	13,714	24.0%	3,291
Allocation of inventory write-down	0	28.2%	0	39	28.2%	11
Amortizations IRES 24% + IRAP 4.2%	0	28.2%	0	2,995	28.2%	845
Risks fund	84	24.0%	20	923	24.0%	221
Exceeding amortizations over 2013	0	28.2%	0	5,433	28.2%	1,532
Other IRES 24% + IRAP 4.2%	832	28.2%	235	5,863	28.2%	1,653
LTI - Phatom stock option - risks fund	549	24.0%	132	1,437	24.0%	345
Risks fund	0	27.9%	0	174	27.9%	49
Other IRES 24%	3,607	24.0%	866	1,450	24.0%	348
IRES 24% exceeding amortizations	137,318	24.0%	32,956	128,616	24.0%	30,868
Amortizations IRES 24% + IRAP 5.12%	7,012	29.12%	2,042	0	27.9%	0
Other IRES 24% IRAP 5.12%	4,579	29.12%	1,333	0	28.2%	0
Deferred tax assets	**157,896**		**38,524**	**161,217**		**39,301**

Current Assets

8. Inventories

The table below summarises the breakdown of this item for each year examined:

	31th December 2024			31th December 2023		
(Thousands of Euro)	Gross value	Bad debt provision	Net value	Gross value	Bad debt provision	Net value
Fuels and warehouse materials	7,055	(39)	7,016	8,315	(39)	8,276
Energy efficiency certificates	1	0	1	0	0	**0**
Inventories	**7,056**	**(39)**	**7,017**	**8,315**	**(39)**	**8,276**

At the end of the accounting period 2024, inventories amounted to Euro 7,017 thousand and recorded a decrease of Euro 1,259 thousand compared to 31 December 2023. The decrease is mainly explained by the change recorded in the inventories of fuels and materials in stock, which decreased from Euro 8,276 thousand in the previous year to Euro 7,016 thousand in the year under review.
Materials in stock are used for maintenance work or for the construction of distribution systems. In the latter case, the material is reclassified under tangible assets following installation.
Inventories are shown net of the inventory write-down provision of Euro 39,000 in order to adjust their value to their possibility of realisation or use.

9. Trade receivables

The table below summarises the breakdown of this item for each year examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Receivables from customers	29,246	13,506
Receivables for invoices to be issued	34,366	20,472
Bad debt provisions	(556)	(597)
Trade receivables	**63,057**	**33,382**

Trade receivables increased from Euro 33,382,000 in 2023 to Euro 63,057,000 in the year under review, showing an increase of Euro 29,675,000.
It should be noted that at the end of the accounting period 2023, trade receivables had been assigned by the Group's distribution companies to factoring companies on a non-recourse basis. The total amount of the assignments was Euro 11,214 thousand.
Trade receivables are shown net of invoice advances and are all due within the next 12 months.
The allowance for doubtful accounts, equal to Euro 556,000, represents the risks of the Group's distribution companies. The change is due to the utilisation of the fund for Euro 41 thousand for the elimination of uncollectable receivables already subject to write-down in previous years.

Changes in the provision for bad debts are shown in the table below:

(Thousands of Euro)	31th December 2024	31th December 2023
Initial bad debt provision	597	2,396
Provisions	0	305
Use	(41)	(2,104)
Final bad debt provision	**556**	**597**

The table below summarises the breakdown of receivables from customers for invoices issued based on seniority, highlighting the allowance for doubtful accounts in relation to the seniority of the receivable.

(Thousands of Euro)	31th December 2024	31th December 2023
Gross trade receivable invoices issued	29,246	13,506
- Provision for doubtful accounts receivable	(556)	(597)
Net trade receivables for invoices issued	**28,690**	**12,909**
Aging of trade receivables for invoices issued		
- to expire	27,237	12,128
- expired within 6 months	1,242	785
- overdue by 6 to 12 months	176	16
- expired more than 12 months	591	577

10. Receivables from CSEA

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Receivables from CSEA	32,678	39,908
Receivables from CSEA	**32,678**	**39,908**

At the end of the 2024 accounting period, receivables from the Cassa Servizi Energetici e Ambientali (CSEA, the Energy and Environmental Services Board)) amounted to Euro 32,678 thousand and mainly consisted of receivables related to the achievement of energy-saving goals and for security contributions for a total of Euro 27,031 thousand, equalisation balances for Euro 4,409 thousand and receivables recorded due to tariff components applied to the natural gas distribution service for Euro 1,239 thousand.

The former are counted by valuing the quantity of energy efficiency certificates delivered, net of the advance payments received in respect thereof, as well as the quantity of certificates accrued up to 31 December 2024 but not yet delivered by that date.

It should be noted that the unit contribution used for the economic quantification of the fulfilment is equal to the final contribution set for the targets related to closed regulatory periods, while it is equal to the fair value of the projected contribution for the contributions being accrued as of 31 December 2024 equal to Euro 248.99 (Euro 250 as of 31 December 2023).

11. Other current assets

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Tax consolidation receivables	218	433
Annual pre-paid expenses	1,699	856
Advance payments to suppliers	1,434	1,822
Annual accrued income	10	36
VAT Receivables	3,570	34,918
UTF and Provincial/Regional Additional Tax receivables	40	40
Other receivables	2,634	2,818
Other current assets	**9,604**	**40,923**

Other current assets decreased from Euro 40,923,000 in 2023 to Euro 9,604,000 in the year under review, recording a decrease of Euro 31,319,000.
The change is mainly explained by the decrease in VAT receivables, which decreased from Euro 34,918 thousand in the year of comparison to Euro 3,570 thousand in 2024. The significant VAT receivables recognised at the end of the previous year were mainly related to the effects of the successive Aid Law Decrees, which provided for the application of discounts to mitigate bill increases. The regulation included the discount applied among the tariff components and, consequently, was regularised with respect to both sales companies operating in the territory in which the Group's distribution company network is located. The discount sanctioned and applied, being higher than the transportation tariff, resulted in the issuance of credit notes to the sales companies, specifically in the last quarter of FY2022 and the first quarter of FY2023, a period in which consumption by end customers intensified. The receivables accrued during that period were offset in FY2023 and FY2024.

12. Current financial assets

The table below shows the composition of current financial assets at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Other financial current assets	816	1,743
Current financial assets	**816**	**1,743**

Current financial assets decreased by Euro 927,000 from Euro 1,743,000 as of 31 December 2023 to Euro 816,000 for the year under review.
The change is partly explained by the collection of the credit generated by the completion of the acquisition from Retragas S.p.A. of a branch of business operating in the natural gas distribution sector, which led to the posting of current financial assets, in relation to the amount of the contractually envisaged adjustment of the transaction itself, equal to Euro 131,000. This amount was subject to adjustment during the month of January.
It is also worth mentioning that at year-end the item also includes the short-term portion of the receivable from Hera S.p.A. relative to the settlement agreement on excise duties for Euro 400 thousand, the receivable from the municipality of Creazzo for Euro 137 thousand, the receivable from the municipality of Santorso for Euro 109 thousand and the receivable from the municipality of Costabissara for Euro 163 thousand, arising from the settlement agreement reached with the local authority in 2019.

13. Current Tax Assets

The table below shows the composition of tax receivables at the end of each year examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Receivables related to IRAP	202	449
Receivables related to IRES	100	1,376
Other tax receivables	189	2,192
Current tax assets	**491**	**4,017**

Current tax assets decreased from Euro 4,017 thousand in FY2023 to Euro 491 thousand in FY2023, with a decrease of Euro 3,526 thousand. It should be noted that the change in other tax receivables is mainly explained by the decrease, amounting to Euro 1,941 thousand of the tax receivables related to the super bonus better described in the litigations section of this annual financial report.
This item mainly includes the remaining credit for IRAP and IRES advances.

14. Cash and cash equivalents

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Bank and post office deposits	34,171	52,067
Cash and cash equivalents on hand	12	16
Cash and cash equivalents	**34,183**	**52,083**

Cash and cash equivalents decreased from Euro 52,083,000 in the year 2023 to Euro 34,183,000 in the year under review, a decrease of Euro 17,900,000.
Cash and cash equivalents mainly refer to bank account balances and company cash.
For a better understanding of the changes in cash flows during the year, please refer to the cash flow statement.

Net financial position

The table below shows the composition of net financial debt as required by Consob Communication No. DEM/6064293 of 28 July 2006. The table and disclosures shown have been adjusted to reflect the updates reported in ESMA document 32-382-1138 of 4 March 2021

	(Thousands of Euro)	31.12.2024	31.12.2023
A	Cash and cash equivalents	34,183	52,083
B	Equivalent to cash ad cash equivalents	0	0
C	Other current financial assets	816	1,743
	- of which relatied parties	0	0
D	**Liquid assets (A) + (B) + (C)**	**34,999**	**53,826**
E	Current financial liabilities (including debt instruments, but excluding the current portion of non-current financial debt)	(45,885)	(61,562)
	- of which relatied parties	0	0
	- of which debt instruments current part	0	0
F	Current portion of non-current financial debt	(64,294)	(88,350)
	- of which relatied parties	0	0
G	**Current financial indebtedness (E) + (F)**	**(110,180)**	**(149,912)**
H	**Net current financial indebtedness (D) + (G)**	**(75,180)**	**(96,086)**
I	Non-current financial debt (excluding the current portion and debt instruments)	(315,421)	(297,859)
J	Debt instruments	0	0
K	Trade payables and other non current payables	0	0
L	**Non-current financial indebtedness (I) + (J) + (K)**	**(315,421)**	**(297,859)**
M	**Net financial indebtedness (H) + (L)**	**(390,602)**	**(393,945)**

Pursuant to Consob Resolution No. 15519 of 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Transactions with related parties' of this annual financial report.

Net financial debt decreased from Euro 393,945 thousand at 31 December 2023 to Euro 390,602 thousand at 31 December 2024, recording a decrease of Euro 3,343 thousand.
The net financial position monitored by the Group, which also includes non-current financial receivables, decreased by Euro 1,761 thousand, from Euro 389,363 thousand at 31 December 2023 to Euro 387,602 thousand at 31 December 2024.

The table below shows the reconciliation between the ESMA net financial position and the Group's monitored financial position:

(Thousands of Euro)	31.12.2024	31.12.2023
ESMA Net financial position	(390,602)	(393,945)
Non current financial assets	2,249	2,507
Assets on interest rate derivative financial instruments	751	2,074
Net financial position monitored by the Group	**(387,602)**	**(389,363)**

For comments on the main dynamics that led to the change in the net financial position, please refer to the analysis of the Group's financial data reported in the section " Commentary on the financial results for the 2024 accounting period" and in the section "Non-current bank loans" of this annual financial report as at 31 December 2024.

15. Current assets from derivative financial instruments

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Current assets on electric energy derivatives	76	2,747
Current assets on interest rates derivatives	751	2,074
Current assets from derivative financial instruments	**828**	**4,821**

Current assets from derivative financial instruments relate for Euro 76 thousand to hedging contracts on the price of electricity produced by the hydroelectric and wind power plants of Asco Power S.p.A. and Asco Wind & Solar S.r.l., and for Euro 751 thousand to interest rate hedging contracts.
It should be noted that the wind farm constructed by Asco Wind & Solar S.r.l. was started up in the first months of the accounting period 2024.
It should also be noted that the receivables shown include the fair value of outstanding derivative contracts as well as the portion accrued at the end of the year but not yet settled at year-end in the amount of Euro 173,000.
Governing assets and liabilities related to derivative activities, please refer to the section "Risk and Uncertainty Factors" of this Annual Report, where the effects related to them are highlighted.

Derivative assets are represented by the fair value of the following derivatives outstanding as at 31 December 2024, the financial manifestation of which will be broken down according to the duration of the underlying:

#	Counterpart	Type of instrument	Underlying Commodity	Trade date	Effective date	Expiry date	Position	Contractual notion	MtM (€/000)
1	Mediobanca	Interest Rate Swap	Euribor 3M	23-Dec-21	23-Dec-21	23-Dec-26	Vanilla: Fixed - Float	11,111,111 €	260
2	Mediobanca	Interest Rate Swap	Euribor 3M	02-Dec-20	02-Dec-20	02-Dec-25	Vanilla: Fixed - Float	10,000,000 €	144
3	Credit Agricole	Interest Rate Swap	Euribor 6M	31-Mar-22	31-Mar-22	31-Mar-27	Vanilla: Fixed - Float	6,000,000 €	118
4	BNL	Interest Rate Swap	Euribor 6M	09-Aug-19	09-Feb-20	09-Feb-25	Vanilla: Fixed - Float	6,000,000 €	56
5	Intesa Sanpaolo	Interest Rate Swap	Euribor 1M	06-Mar-15	06-Mar-15	27-Dec-29	Vanilla: Fixed - Float	2,285,655 €	77
Total									**655**

It is specified that financial instruments measured at fair value belong to valuation hierarchy level 2.

16. Current assets held for sale

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Current assets held for sale	202,389	385
Current assets held for sale	**202,389**	**385**

At the end of the accounting period, the item includes the value of the equity investment recognised as of 30 September 2024, and valued using the equity method of Estenergy S.p.A.. During the last quarter of the accounting period, in fact, the parent company Ascopiave S.p.A. exercised the existing put option on the 25% shareholding held on the same, determining the reclassification of the value up to that date measured among the "assets held for sale" in compliance with the dictates of the international accounting standard IFRS 5. It should be noted that the sale will be completed during the accounting period 2025.
We also note that the amounts recognised at the end of the previous year are related to the agreement signed with Giudicarie Gas S.p.A. on 21 December 2023, and effective from 1 January 2024, governing natural gas distribution concessions located in the Trentino-Alto Adige region. Consequently, the related asset items were reclassified under

'assets held for sale'.

Consolidated Net Equity

17.Total Net equity

As of 31 December 2024, Ascopiave S.p.A. share capital consisted of 234,411,575 ordinary shares, fully subscribed and paid-up, with a nominal value of Euro 1 each.
The table below shows the composition of consolidated net equity at the end of the accounting periods considered:

(Thousands of Euro)	31th December 2024	31th December 2023
Share capital	234,412	234,412
Reserves	46,882	46,882
Treasury shares	(55,987)	(55,424)
Reserves and profit carried forward	586,837	582,707
Net Result of the Group	35,823	36,176
Net equity of the Group	**847,966**	**844,753**
Net equity of the Minorities	**9,824**	**9,529**
Total Net equity	**857,789**	**854,282**

Consolidated net equity as of 31 December 2024 was Euro 857,789,000, showing an increase of Euro 3,507,000 compared to the year 2023.
Movements in consolidated net equity in 2024, excluding the result achieved, are mainly explained by the distribution of dividends for Euro 30,339,000, the movement of hedge accounting reserves related to derivative instruments for Euro 3,156,000, share-based payments related to long-term incentive plans, and the purchase of 365,213 ordinary treasury shares at an average unit price of 2.342.
With regard to long-term incentive plans, it should be noted that during the year, treasury shares were paid out to employees and directors for long-term incentive plans (three-year period 2011-2023) while, at the end of the year, the portion accrued in relation to the year 2024 was set aside for the new long-term incentive plan for the three-year period 2024-2026. These effects resulted in an increase in net equity of Euro 101 thousand.

We also report that as of 31 December 2024, following the disbursement of shares related to the long-term incentive plans and the purchases made during the year, Ascopiave S.p.A. holds 17,973,719 treasury shares, equal to 7.6676%, of the share capital, for a total value of Euro 55,987 thousand.
The hedge accounting reserve posted at the end of the 2024 accounting period represents the current value of derivative financial instruments subscribed by Ascopiave S.p.A. and the companies operating in the hydroelectric and wind power sectors, to hedge possible fluctuations in interest rates correlated to the loans subscribed and in electricity prices. The same, as of 31 December 2024, shows a negative balance of Euro 177 thousand net of the tax effect
With regard to assets and liabilities related to derivative financial instruments, please refer to the section "Risk and Uncertainty Factors" of this Annual Report as at 31 December 2024, where the effects related to them are highlighted.
The Group's shareholders' equity also recorded an increase of Euro 859,000 related to changes in the shareholders' equity of associated companies, specifically the trend of the hedge accounting reserve recorded in relation to derivative contracts entered into to hedge commodity price fluctuations.

Non-current liabilities

18. Provisions

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Provisions for pension for gas sector employees	770	1,463
Other provisions for risks and charges	615	556
Provisions	**1,385**	**2,020**

Provisions went from Euro 2,020 thousand in the previous year to Euro 1,385 thousand in the year under review, recording a decrease of Euro 635 thousand. The change is mainly explained by the utilisation of the provision for pensions and similar obligations following the payment of long-term incentives accrued in the three-year period 2021-2023. The final settlement of the total amount, which took place with the approval of the 2023 financial statements, resulted in the utilisation of the fund in the amount of Euro 1,027 thousand. It should be noted that at the end of the accounting period, allocations made due to the achievement of goals, not determinable at the closing date of this annual financial report and that will be measured in the 2025 accounting period, totalling Euro 83,000 were still outstanding.
At the end of the year, provisions were also set aside for the portions accrued during the year, amounting to Euro 547,000, of the long-term incentive plans for the three-year period 2024-2026, the period defined by the plans for the accrual of the bonus.

The table below shows the changes that occurred during the year under review:

(Thousands of Euro)	
Provisions as of 1st January 2024	2,020
Provisions	525
Use of provisions	(1,160)
Provisions as of 31th December 2024	**1,385**

19. Employee benefits

The liability for employee benefits decreased from Euro 4,751 thousand at 1 January 2024 to Euro 4,051 thousand at 31 December 2024, a decrease of Euro 700 thousand.

The table below summarises the changes in the fund during the year under review:

(Thousands of Euro)	
Severance indemnity as of 1st January 2024	4,751
Liquidations	(1,796)
Cost related to current work performance	1,557
Actuarial loss/(profits) for the exercise*	(461)
Employee Benefit as of 31th December 2024	**4,051**

*including the portion of *interest cost* recognised in the profit and loss account.

The liability for severance pay is measured using an actuarial method, and its value is therefore sensitive to changes in the relevant assumptions.
The main assumptions used in the measurement of severance pay are the discount rate, the average annual exit percentage of employees, and the maximum retirement age of employees.

The discount rate used to measure the liability arising from severance pay is determined by reference to market yields for high-quality fixed-income securities for which the maturities and amounts correspond to the maturities and amounts of expected future payments.
For this plan, the average discount rate reflecting the estimated maturities and amounts of future payments under the plan for 2024 is 3.38% (3.17% as at 31 December 2023).

The main other assumptions of the model are:
- mortality rate: IPS55 tables
- Incapacity rates: INPS-2000 tables
- staff turnover rate: 3.00%.
- discount rate: 3.38%.
- rate of salary increase: 1.50%
- advance rate: 2.00%.
- inflation rate: 2.00%.

The sensitivity analysis on the actuarial valuation of the fund did not reveal any significant deviations from the value recorded in the financial statements. The current cost related to labour services is posted among personnel costs, while the interest cost, amounting to Euro 32,000, is posted among other financial expenses.

20. Long-Term Outstanding Bonds

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Pricoa bond loan	78,805	86,347
Long term outstanding bonds	**78,805**	**86,347**

As part of the "Shelf" private placement programme with Pricoa Capital Group, a company of the US group Prudential Financial Inc, the parent company Ascopiave S.p.A., as of 31 December 2024, had a first placement of non-convertible and unsecured ordinary bonds for Euro 25 million, with a maturity of 10 years and an average duration of 8 years, and a second one for a residual amount of Euro 62.2 million, with a maturity of 10 years and an average duration of 6 years, with the posting of Euro 7,606 thousand among short-term debts for bonds in circulation.
The bonds issued are unrated and are not listed on regulated markets. The issue is not backed by collateral. Ascopiave is obliged to comply with certain financial covenants (NFP/Ebitda < 4.5x, NFP/Equity < 1.25x and RAB ≥ Euro 450 million, with the possibility of overruns in the presence of particular extraordinary transactions), to be verified every six months, which at 31 December 2024 were respected.
The decrease is explained by the payment of instalments due during the year.

21. Non-current bank loans

The table below shows the composition of the item at the end of each year examined, with the application of the amortised cost criterion:

(Thousands of Euro)	31th December 2024	31th December 2023
Loans from Banca Prealpi SanBiagio	3,723	4,576
Loans from European Investment Bank	0	1,250
Loans from Prelios	0	7,652
Loans from Unicredit Spa	4,740	0
Loans from INTESA SAN PAOLO SPA	57,831	63,609
Loans from BPER	9,788	16,150
Loans from BANCO BPM	9,025	15,051
Loans from BNL	11,250	16,750
Loans from Cassa Centrale Banca	18,314	21,951
Loans from CREDIT AGRICOLE FRIULADRIA	23,960	5,013
Loans from MEDIOBANCA	49,889	15,556
Loans from ICCREA	29,031	36,507
Loans from Banca Popolare dell'Alto Adige	12,273	0
Non-current bank loans	**229,824**	**204,064**
Current portion of non-current bank loans	56,688	80,642
Total bank loans	**286,512**	**284,705**

Medium- and long-term loans, represented at 31 December 2024 mainly by the Parent Company's payables to: Intesa Sanpaolo for Euro 74,000 thousand, Mediobanca for Euro 50,000 thousand, Credit Agricole for Euro 32,000 thousand, Cassa Centrale Banca for Euro 22,005 thousand, BNL for Euro 16,750 thousand, BPER for Euro 16,150 thousand, Banco BPM for Euro 15.000 thousand, by Volksbank for Euro 15,000 thousand, by Iccrea Banca for Euro 14,415 thousand, by Unicredit for Euro 5,000 thousand, by BCC Prealpi-Sanbiagio for Euro 4,576 thousand and by the debt of the subsidiary Asco Wind & Solar to Iccrea Banca for Euro 22.401 thousand, go from Euro 284,705 thousand as of 31 December 2023 to Euro 286,512 thousand at the end of 2024, with an increase of Euro 1,807 thousand, explained by the payment of instalments and the signing of new loans with Credit Agricole for Euro 30,000 thousand, with Volksbank for Euro 15,000 thousand, with Unicredit for Euro 5,000 thousand, with Mediobanca for Euro 50,000 thousand and with Intesa Sanpaolo for Euro 10,000 thousand.
In particular, details of the nominal outstanding debt of the individual contracts are given below:

- the loan with Intesa Sanpaolo, disbursed in December 2023 for a total of Euro 80,000 thousand with a maturity date in December 2028, showed a residual debt at 31 December 2024 of Euro 64,000 thousand, with Euro 16,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and NFP/PN, to be verified semi-annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024. The contract also provides for the reporting of ESG KPIs governing the reduction of Scope 1 and Scope 2 gas emissions, the percentage of investments aligned with the EU Taxonomy of Eco-Sustainable Activities and the percentage of reduction of fugitive gas emissions on the inspected network, which may have an impact on the future margin applied to the loan.
- the loan with Crédit Agricole, disbursed in June 2024 for a total of Euro 30,000 thousand with maturity in June 2029, showed a residual debt of Euro 27,000 thousand at 31 December 2024, with Euro 6,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the contract are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024. The contract also provides for the reporting of ESG KPIs governing the reduction of Scope 1 and Scope 2 gas emissions, the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities and the percentage of reduction of fugitive gas emissions on the inspected network, which may have an impact on the future margin applied to the loan.

- the loan with Cassa Centrale Banca, disbursed in March 2022 for a total of Euro 30,000 thousand and expiring in September 2030, had a residual debt as of 31 December 2024 of Euro 22,005 thousand, with Euro 3,662 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- The loan with BPER, disbursed in September 2022 for a total of Euro 30,000 thousand with maturity in June 2027, had a residual debt as of 31 December 2024 of Euro 16,150 thousand, with Euro 6,362 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- the loan with Iccrea Banca, disbursed in June 2022 for a total of Euro 30,000 thousand and expiring in March 2027, presents a residual debt as of 31 December 2024 equal to Euro 14,415 thousand, with the recognition of Euro 6,361 thousand among payables to banks and short-term loans. The contract does not provide for the verification of financial covenants.
- the loan with Banco BPM, disbursed in May 2022 for a total of Euro 30,000 thousand and maturing in June 2027, had a residual debt at 31 December 2024 of Euro 15,000 thousand, with Euro 6,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- the loan with Volksbank, disbursed in May 2024 for a total of Euro 15,000 thousand with a maturity date of July 2029, equal to the residual debt as of 31 December 2024, provides for the recognition of Euro 2,717 thousand among bank payables and short-term loans. The contract does not provide for the verification of financial covenants.
- the loan with BNL, which was disbursed in 2017 in the amount of Euro 30,000 thousand and matures in February 2030, had a residual debt of Euro 13,750 thousand as of 31 December 2024, with Euro 2,500 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- the loan with Mediobanca, disbursed in December 2024 for a total of Euro 50,000 thousand with maturity in December 2029, equal to the residual debt as of 31 December 2024, does not provide for the recognition of bank debt and short-term loans. The financial covenants under the agreement are NFP/Ebitda, NFP/PN and minimum RAB value, to be verified half-yearly starting 30 June 2025 on the Group's consolidated data prepared pursuant to IFRS. The contract also provides for the disclosure of ESG KPIs governing the reduction of Scope 1 and Scope 2 gas emissions and the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities, which may have an impact on the future margin applied to the loan.
- the loan with Crédit Agricole, disbursed in March 2022 for a total of Euro 10,000 thousand and expiring in March 2027, showed a residual debt of Euro 5,000 thousand at 31 December 2024, with Euro 2,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- the loan with BNL, disbursed in August 2019 in the amount of Euro 30,000 thousand, had a residual debt as of 31 December 2024 in the amount of Euro 3,000 thousand, fully recognised under bank borrowings and short-term loans due in February 2025. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.
- the loan with BCC Prealpi SanBiagio/Cassa Centrale Banca, disbursed at the beginning of 2018 for an amount equal to Euro 10,000 thousand with maturity in February 2030, presents a residual debt as of 31 December 2024 equal to Euro 4,576 thousand, with the recognition of Euro 852 thousand among bank borrowings and short-term loans. The contract does not provide for the verification of financial covenants.
- the loan with Intesa Sanpaolo, disbursed in December 2024 for a total of Euro 10,000 thousand with a maturity date of December 2029, equal to the residual debt as of 31 December 2024, does not provide for the recognition of bank borrowings and short-term loans. The financial covenants envisaged by the contract are NFP/Ebitda

and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024.

- the loan with Unicredit, disbursed in December 2024 for a total of Euro 5,000 thousand maturing in December 2029, equal to the residual debt as of 31 December 2024, does not provide for the recognition of bank borrowings and short-term loans. The financial covenant envisaged by the contract is NFP/Ebitda, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024. The contract also provides for the disclosure of ESG KPIs governing the reduction of Scope 1 and Scope 2 gas emissions and the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities, which may have an impact on the future margin applied to the loan.
- the loan with Iccrea Banca, disbursed with the project finance formula to the subsidiary Salinella Eolico in July 2023 for an amount of Euro 24,522 thousand with maturity in June 2040, presents a residual debt as of 31 December 2024 equal to Euro 22,401 thousand, with the recognition of Euro 1,145 thousand among payables to banks and short-term loans. The financial covenants under the agreement are NFP/PN and the DSCR, to be verified annually on the company's figures, which were met as of 31 December 2024.

As a guarantee of the fulfilment of the obligations arising from the financing agreement signed with BNL in 2017, with a residual debt of Euro 13,750 thousand, the Parent Company assigned to the financing bank a portion of the future credit deriving from the repayment of the residual value of the assets related to the Gas Distribution Concessions held by the subsidiary AP Reti Gas S.p.A..
As security for the fulfilment of obligations under the loan agreement signed with Iccrea Banca by the subsidiary Asco Wind & Solar, a pledge on 100% of the subsidiary's shares, as well as on the project's current accounts, was granted to the bank

The table below shows the maturities of medium- and long-term loans (the total differs from the detailed table above, as contractual maturities are shown here broken down by year, and not by amortised cost):

(Thousands of Euro)	31th December 2024
Financial Year 2025	56,599
Financial Year 2026	55,891
Financial Year 2027	62,618
Financial Year 2028	54,059
Beyond 31st December 2028	58,129
Non-current bank loans	**287,296**

22. Other non-current liabilities

The table below shows the composition of the items at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Security deposits	2,277	1,908
Multi-annual passive prepayments	38,158	36,108
Other payables	1,440	1,344
Other non-current liabilities	**41,875**	**39,360**

Other non-current liabilities increased from Euro 39,360 thousand in the previous year to Euro 41,875 thousand in the year under review, showing an increase of Euro 2,515 thousand.
Long-term deferred income recognised as of 31 December 2024 increased by Euro 2,050,000. The same, are recognised against revenues for contributions received from public or private bodies for the realisation of connections to the gas network or to the distribution network and are linked to the useful life of the distribution plants. The suspension of

revenues is explained by the content of Law 9/2014, which provided for the full decoupling of contributions from private parties from the value of technical assets held under concession in the gas distribution sector.
Security deposits posted as of 31 December 2024 recorded an increase equal to Euro 369 thousand and refer to deposits received from natural gas sales companies operating in the territory in which the natural gas distribution network managed by the Group is located, for the raw material transportation service.

23. Non-current financial liabilities

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Lease liabilities beyond 12 months	6,792	7,448
Non-current financial liabilities	**6,792**	**7,448**

Other non-current financial liabilities decreased from Euro 7,448,000 in the previous year to Euro 6,792,000 at year-end, recording a decrease of Euro 656,000 mainly due to the payment of instalments on operating leases.

24. Deferred Tax Liabilities

The table below shows the balance of the item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Deferred tax liabilities	17,101	17,618
Deferred tax liabilities	**17,101**	**17,618**

Deferred tax liabilities decreased from Euro 17,618,000 in the previous year to Euro 17,101,000 in the year under review, a decrease of Euro 517,000.
Deferred tax liabilities mainly include the tax effects arising from the dynamics of depreciation on natural gas distribution networks. In calculating taxes, reference was made to the IRES rate and, where applicable, the IRAP rate in force, in relation to the tax period that includes the date 31 December 2024 and the time when any temporary differences are estimated to be reversed.

	31th December 2024			31th December 2023		
Description	Temporary differences	Tax rate	Total effect	Temporary differences	Tax rate	Total effect
Exceeding amortizations	554	24.0%	133	2,433	24.0%	584
Exceeding amortizations	1,631	28.2%	460	0	31.7%	0
Severance indemnity	19	24.0%	5	190	24.0%	46
Allocations on gas distribution network	51,597	28.2%	14,550	55,879	28.2%	15,758
Goodwill deductibility for tax purposes	0	28.2%	0	147	27.9%	41
Derivatives liabilities	654	28.2%	184	4,219	28.2%	1,190
Allocations to goodwill	5,746	29.12%	1,673	0	24.0%	0
Other	210	29.12%	61	0	24.0%	0
Other	143	24.0%	34	0	28.2%	0
Total deferred tax liabilities			**17,101**			**17,618**

Current liabilities

25.Short term outstanding bonds

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Pricoa bond loan	7,606	7,708
Short term outstanding bonds	**7,606**	**7,708**

Short-term bonds outstanding represent the portion of the Pricoa Capital Group bond issue maturing within 12 months, for more details please refer to the section 'Long-term Bonds Outstanding' in this annual financial report.

26. Payables due to banks and financing institutions

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Payables due to banks	45,000	60,000
Current portion of non-current bank loans	56,688	80,642
Payables due to banks and financing institutions	**101,688**	**140,642**

Bank payables decreased from Euro 140,642,000 in the previous year to Euro 101,688,000 in the year under review, with a decrease of Euro 38,954,000.
This item is the result of the sum of accounts payable balances to credit institutions and the short-term portion of loans.

The table below summarises the breakdown of the group's utilised and available credit lines as at 31 December 2024:

Bank	Type of line of credit	Credit line at 31.12.2024	Use of credit line at 31.12.2024
Banca Alto Vicentino	Cash loan	1,527	1,527
Intesa SanPaolo	Endorsement loan	50	-
Intesa SanPaolo	Cash loan	1,918	1,918
Banca Nazionale del Lavoro	Short-term loans/guarantees	15,000	-
Banca Nazionale del Lavoro	Long-term mortgage	3,000	3,000
Banca Nazionale del Lavoro	Long-term mortgage	13,750	13,750
Banca Popolare dell'Emilia Romagna	Endorsement loan	5,000	-
Banca Popolare dell'Emilia Romagna	Long-term mortgage	16,150	16,150
Banca Popolare dell'Emilia Romagna	Cash loan	107	107
Banco BPM	Endorsement loan	8,000	-
Banco BPM	Cash loan	2,000	1,243
Banco BPM	Long-term mortgage	15,000	15,000
Cassa Centrale Banca	Long-term mortgage	22,005	22,005
Cassa Centrale Banca/Prealpi	Long-term mortgage	4,576	4,576
Cassa Depositi e Prestiti	Cash loan	2,156	2,156
Crédit Agricole Friuladria	Endorsement loan	10,000	10,000
Crédit Agricole Friuladria	Long-term mortgage	5,000	5,000
Crédit Agricole Friuladria	Long-term mortgage	27,000	27,000
Credito Emiliano	Endorsement loan	30,000	30,000
ICCREA	Long-term mortgage	14,415	14,415
Intesa SanPaolo	Cash loan	5,000	1,411
Intesa SanPaolo	Endorsement loan	20,000	-
Intesa SanPaolo	RCF line	20,000	-
Intesa SanPaolo	Long-term mortgage	50,000	10,000
Intesa SanPaolo	Long-term mortgage	64,000	64,000
Mediobanca	Long-term mortgage	50,000	50,000
Pricoa Capital Group	Bond loan	25,000	25,000
Pricoa Capital Group	Bond loan	62,222	62,222
Unicredit	Endorsement loan	40,000	-
Unicredit	Cash loan	35,816	10,160
Unicredit	Long-term mortgage	100,000	5,000
Volksbank	Long-term mortgage	15,000	15,000
Volksbank	Endorsement loan	5,000	5,000
Unicredit	Cash loan	394	309
ICCREA	Long-term mortgage	22,401	22,401
		711,487	**438,350**

Note: Total utilisations do not correspond to total payables to banks as the utilisation of the line for the issue of guarantees does not result in the incurring of bank debts

27. Trade payables

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Payables to suppliers	19,878	27,904
Payables to suppliers for invoices not yet received	45,556	45,122
Trade payables	**65,433**	**73,026**

Trade payables decreased from Euro 73,026 thousand in the previous year to Euro 65,433 in the year under review, recording a decrease of Euro 7,593 thousand.
The item trade payables includes payables recognised for suppliers of materials and services for the extension or maintenance of the natural gas distribution network, for the purchase of energy efficiency certificates for the achievement of assigned goals, as well as for the use of consulting services received during the year of reference.
At year-end, the item included, for Euro 16,293,251, the debt recognised in connection with the implementation of Article 15-bis of the Ter Support Decree (Decree Law No. 4 of 27 January 2022), effective until 30 June 2023 and still outstanding as a dispute is pending against ARERA Resolution No. 266/2022 and the GSE Communiqué, governing the implementation of said Decree. In order to better understand the status of the litigation, please refer to the "Litigations" section of this Annual Report.
It should be noted that payables associated with the purchase of energy efficiency certificates, necessary to achieve the energy-saving targets to which the Group's distribution companies are subject, are calculated by valuing the quantity of certificates accrued up to 31 December 2024.
The unit cost for securities not purchased at the end of the accounting period is equal to the fair value of the prices recorded in the reference market, calculated as of 31 December 2024 as Euro 249.23 (Euro 252.508 as of 31 December 2023).

28. Current tax liabilities

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
IRAP payables	551	780
IRES payables	3,987	0
Other tax payables	(0)	15
Current tax liabilities	**4,538**	**795**

Current tax liabilities increased by Euro 3,743,000 from Euro 795,000 in the previous year to Euro 4,538,000 in 2024.
Taxes payable include liabilities accrued on results for the year to the tax authorities.

29. Payables to CSEA

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Payables to CSEA	19,591	4,918
Payables to CSEA	**19,591**	**4,918**

At the end of the reporting year, this item showed a balance of Euro 19,591,000, showing an increase of Euro 14,673,000 compared to the previous year.
This item consists of payables due to the Cassa per i Servizi Energetici e Ambientali (Energy and Environmental Services

Board) in relation to the tariff components charged to sales companies operating in the territory in which the Company's natural gas distribution network is located, and which are paid bimonthly to the Cassa itself as established by the Regulatory Authority for Energy, Networks and the Environment.

30. Other current liabilities

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Advance payments from customers	572	1,588
Payables for tax consolidation	40	0
Amounts due to social security institutions	1,615	1,698
Amounts due to employees	4,638	4,892
VAT payables	3	44
Payables to revenue office for withholding tax	1,451	1,120
Deferred income	1,234	1,094
Accrued expenses	3,046	5,049
Other payables	1,525	1,711
Other current liabilities	**14,125**	**17,196**

Other current liabilities decreased from Euro 17,196,000 in 2023 to Euro 14,125,000 in the year under review, showing a decrease of Euro 3,071,000.
The change is mainly explained by the decrease in advances received from customers, lower payables recognised for accrued expenses, and the decrease in payables recognised to personnel. These were partly offset by the increase in payables to the tax authorities for withholding taxes.

Deferred income/revenue
Advances from customers represent the amounts paid by users as contributions for allotment and connection works and the construction of thermal power stations in progress as of 31 December 2024. At the end of the year 2024, the item showed a decrease of Euro 1,016 thousand.

Amounts due to social security institutions
Social security payables include payables related to accrued charges to social security institutions in respect of employees' and directors' employment accrued as at 31 December 2024 and not paid at the same date.

Amounts due to employees
The item includes payables for untaken holiday days, monthly payments and bonuses accrued as of 31 December 2024 and not paid as of the same date, as well as the relative contribution quota. The item shows a decrease of Euro 254 thousand from Euro 4,892 thousand in 2023 to Euro 4,638 thousand in the year of reference.

VAT payables
VAT payables amounted to Euro 3,000, a decrease of Euro 41,000 compared to the previous year, mainly related to the dynamics of VAT settlements

Annual deferred income
Other deferred income is mainly attributable to contributions received for the construction of the natural gas distribution network and connections to it.

Annual accrued expenses
Accrued expenses mainly refer to state fees and fees paid to the granting local authorities, for the extension of methane gas distribution concessions pending the celebration of tenders for allocation by area. At the end of the reference accounting period, the item showed a decrease equal to Euro 2,003 thousand.

Other payables

At the end of the reporting year, this item showed a balance of Euro 1,525,000, a decrease of Euro 186,000 compared to the previous year

31. Current financial liabilities

The table below summarises the breakdown of this item at the end of each accounting period examined:

(Thousands of Euro)	31th December 2024	31th December 2023
Lease liabilities within 12 months	885	1,562
Current financial liabilities	**885**	**1,562**

Current financial liabilities decreased from Euro 1,562,000 in the year 2023 to Euro 885,000 in the year under review, showing a decrease of Euro 677,000.

They represent financial payables due within twelve months for operating leases entered into for the rental of company premises and vehicles.

32.Current liabilities from derivative financial instruments

The table below summarises the breakdown of this item at the end of each accounting period examined:

(migliaia di Euro)	31th December 2024	31th December 2023
Liabilities on electric energy derivatives	832	(0)
Current liabilities from derivative financial instruments	**832**	**(0)**

Current liabilities from derivative financial instruments relate to hedging contracts on the price of electricity produced by Asco Power S.p.A. hydroelectric plants. With regard to assets and liabilities related to derivative assets, please refer to the section "Risk and Uncertainty Factors" of this Annual Report, where the related effects are highlighted.

The liabilities on derivatives underwritten by the Parent Company are represented by the fair value of the following derivatives outstanding as of 31 December 2024, the financial manifestation of which will be broken down according to the duration of the underlying loan:

#	Counterpart	Type of instrument	Underlying Commodity	Trade date	Effective date	Expiry date	Position	Contractual notion		MtM (€/000)
1	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	12-Apr-24	01-Jan-25	31-Dec-25	Sell/Short	26,280	Mwh	591
2	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	07-Aug-24	01-Jan-25	31-Mar-25	Sell/Short	4,318	Mwh	50
3	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	11-Nov-24	01-Apr-25	30-Jun-25	Sell/Short	8,736	Mwh	83
4	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	11-Nov-24	01-Jul-24	30-Sep-25	Sell/Short	2,208	Mwh	25
5	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	15-Nov-24	01-Oct-25	31-Dec-25	Sell/Short	8,836	Mwh	84
Total										**832**

It is specified that financial instruments measured at fair value belong to valuation hierarchy level 2.

33. Current liabilities disposal of liabilities

The table below summarises the breakdown of this item at the end of each accounting period examined:

(migliaia di Euro)	31th December 2024	31th December 2023
Current liabilities disposal of liabilities	0	(247)
Current liabilities disposal of liabilities	**0**	**(247)**

The amounts recognised at the end of the previous year are related to the agreement signed with Giudicarie Gas S.p.A. on 21 December 2023, and effective from 1 January 2024, governing natural gas distribution concessions located in the Trentino-Alto Adige region. Consequently, the related liability items were reclassified under 'assets held for sale'.

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

Revenues

34. Revenues

The table below shows the details of the items making up the item, by asset category, at the end of the accounting periods considered:

	Full Year	
(Thousands of Euro)	2024	2023
Revenues from gas transportation	141,068	125,702
Revenues from connections	1,079	937
Revenues from distribution services	5,140	3,660
Revenues from general services to subsidiaries companies	2,550	3,691
Revenues from ARERA contributions	19,015	16,927
Revenues from hydroeletric-wind power plant	27,057	18,743
Other revenues	9,048	11,134
Revenues	**204,958**	**180,794**

Substantially all of the Ascopiave Group's revenues are realised in Italy and at the end of the accounting period, reaching Euro 204,958 thousand, they recorded an increase equal to Euro 24,164 thousand compared to the reference accounting period (Euro 180,794 thousand), mainly explained by the increase in revenues from gas transport (+ Euro 15,366 thousand) and revenues from wind-hydroelectric power plants (+ Euro 8,314 thousand). These increases have been partially offset by the decrease in other revenues (-Euro 2,033 thousand).
At the end of the accounting period, the item gas transportation revenue was equal to Euro 141,068 thousand, showing an increase of Euro 15,366 thousand compared to the previous accounting period.
The total revenue constraint is determined, for each year, according to the number of active redelivery points served in the reference year by the company, as well as the reference tariff whose values are set and published by ARERA. The increase recorded is mainly explained by the change in the tariff WACC and the monetary revaluation of capital costs and tariff operating costs.
Revenues from services rendered as natural gas distributors, amounting to Euro 5,140 thousand, increased by Euro 1,480 thousand compared to the previous year.
Revenues from services rendered to other investee companies showed a decrease of Euro 1,141,000 compared to the previous year, amounting to Euro 2,550,000 as of 31 December 2024. The item includes revenues earned in relation to the provision of administrative and financial, technical, IT and facility services rendered to other investee companies, specifically, associated companies. The decrease recorded is mainly explained by the termination of the service contracts signed with Romeo 2 S.r.l. as part of the rationalisation operation of natural gas distribution concessions finalised in January 2023 with Iren S.p.A..
During the accounting period 2024, revenues from the sale of electrical energy produced from renewable sources, specifically hydroelectric and wind power sources, amounted to Euro 27,057 thousand and showed an increase of Euro 8,314 thousand compared to the previous year. The increase is mainly explained by the higher rainfall recorded, as well as by the commissioning of an additional wind farm of the subsidiary Asco Wind & Solar S.r.l., located in Calabria, whose installed power amounts to 21.6 MW. It should also be noted that comparative revenues were significantly impacted by the effects of the Sostegni-*ter* (Business Support) decree (DL 4/2022) issued by the government during the first quarter of FY2022. The decree had substantially capped the sale prices of electricity produced, also including producers of energy from renewable sources. The decree, effective from 1 February 2022, remained in force until 30 June 2023. According to the provisions of the aforementioned decree, the revenue adjustment was quantified and applied to plants that the Gestore Servizi Energetici (GSE, the Energy Services Manager) included in the scope determined by the decree Other revenues go from Euro 11,134 thousand in the accounting period 2023, to Euro 9,048 thousand in the reference accounting period, showing a decrease equal to Euro 2,086 thousand. The decrease recorded compared to the previous year is mainly explained by the reduction in revenues recorded for premiums recognised by the Regulatory Authority

for Energy, Networks and the Environment (ARERA) for operations performed in the field of the safety of natural gas distribution plants. More specifically, it should be noted that the revenues recognised at the end of the accounting period 2023 represented best internal estimate of the incentive accrued for the operations performed during the accounting periods 2020 and 2021, while those recognised at the end of the accounting period 2024 represented the best estimate for the operations performed during the accounting period 2022.

35. Raw materials, consumables, supplies and goods

The table below shows the costs relating to the purchase of other raw materials in the accounting periods considered:

	Full Year	
(Thousands of Euro)	2024	2023
Raw materials, consumables, supplies and goods	2,939	2,265
Raw materials, consumables, supplies and goods	**2,939**	**2,265**

At the end of the reporting year, the costs incurred for the purchase of other raw materials amounted to Euro 2,939,000, showing an increase of Euro 674,000 compared to the previous year.
The item mainly includes costs for the purchase of materials used for the maintenance of infrastructures for the distribution of natural gas, the purchase of the odorizing agent, and the purchase of natural gas for the operation of cogeneration and heat supply plants managed by the Group.

36. Costs for services

The table below provides details of the costs of services incurred in the accounting periods under review:

	Full Year	
(Thousands of Euro)	2024	2023
Costs for counting meters reading	2,183	2,551
Maintenance and repairs	4,656	3,813
Consulting services	3,380	3,340
Commercial services and advertisement	134	162
Sundry suppliers	3,127	3,292
Directors' and Statutory Auditors' fees	1,564	1,427
Insurances	1,411	1,269
Personnel costs	853	693
Other managing expenses	1,794	2,123
Costs for use of third-party assets	34,127	31,805
Costs for services	**53,229**	**50,474**

Costs for services incurred during the year 2024 amounted to Euro 53,228,000, an increase of Euro 2,754,000 compared to the previous year.
The costs incurred for meter reading, at Euro 2,183 thousand, showed a decrease from the previous year of Euro 368 thousand (Euro 2,551 thousand as at 31 December 2023).
Costs for maintenance and repairs go from Euro 3,813 thousand for the accounting period under comparison to Euro 4,656 thousand for the accounting period 2024, showing an increase equal to Euro 843 thousand. The item mainly includes costs incurred for software fees and ordinary maintenance of natural gas distribution and electricity production plants.
At the end of the reporting year, the costs incurred for consultancy services, amounting to Euro 3,380,000, were substantially in line with the previous year.
At the end of the reporting year, utility costs amounted to Euro 3,127 thousand, showing a decrease of Euro 165 thousand

compared to the previous year. The variation recorded is mainly explained by the trend of natural gas and electricity tariffs.
Costs for the use of third-party assets incurred during the year show an increase of Euro 2,322 thousand compared to the previous year. The item mainly includes fees paid to local entities for the management of natural gas distribution concessions and in relation to hydroelectric and wind power plants in the territories of the same entities.

37. Personnel expenses

The table below provides a breakdown of personnel costs for the accounting periods considered:

	Full Year	
(Thousands of Euro)	2024	2023
Wages and salaries	22,830	22,929
Social security contributions	7,018	6,977
Severance indemnity	1,557	1,516
Other costs	9	7
Total Personnel expenses	**31,414**	**31,429**
Capitalized personnel costs	(13,229)	(10,515)
Personnel expenses	**18,185**	**20,914**

Personnel expenses are expressed net of costs capitalised by the natural gas distribution companies against increases in intangible fixed assets for works performed on a regular basis, specifically intangible fixed assets under concession and intangible fixed assets in progress under concession. These are directly allocated to the construction of infrastructures suitable for the distribution of natural gas and entered in the balance sheet assets.
Personnel costs went from Euro 31,429,000 in the year 2023, to Euro 31,414,000 in the year under review, substantially in line with the previous year.
It should be noted that as of 31 December 2024, costs accrued during the year for long-term incentive plans in the amount of Euro 546,000 and short-term incentive plans in the amount of Euro 657,000 were recognised; whereas, the year under comparison included costs accrued for long-term incentive plans in the amount of Euro 589,000 and short-term incentive plans in the amount of Euro 634,000.
Capitalised personnel costs increased by Euro 2,714,000 from Euro 10,515,000 in the year under comparison to Euro 13,229,000 in the year under reference.
As a result, personnel costs decreased by a total of Euro 2,729,000.

The table below shows the average number of Group employees by category for the years under comparison:

Description	31.12.2024	31.12.2023	Variation
Managers (average)	13	14	-1
Office workers (average)	312	319	-7
Manual workers (average)	180	176	4
No. of staff employed (average)	**505**	**508**	**-3**

38. Other management costs

The table below provides a breakdown of other management costs for the accounting period examined:

	Full Year	
(Thousands of Euro)	2024	2023
Provision for risks on credits		305
Other provisions	59	0
Membership and ARERA fees	1,458	739
Capital losses	1,987	5,358
Extraordinary losses	183	1,047
Other taxes	1,805	1,974
Other costs	1,080	959
Costs of contracts	2,313	2,411
Energy efficency certificates	18,803	17,091
Other management costs	**27,688**	**29,884**

Other management costs decreased from Euro 29,884,000 in the year 2023 to Euro 27,688,000 in the year under review, showing a decrease of Euro 2,196,000. The change is mainly explained by the lower allocations made for credit risks (-Euro 305 thousand), the decrease in capital losses (-Euro 3,371 thousand) and contingencies (-Euro 864 thousand) recorded during the year of reference. These changes were partially offset by the increase in costs for ARERA membership fees (+Euro 719 thousand) and costs incurred for the purchase of energy efficiency certificates (+Euro 1,712 thousand).
The change recorded in capital losses (-Euro 3,371 thousand) is mainly explained by the recognition of the capital loss generated by the transfer, during 2023, of the entire share capital of Romeo 2 S.r.l. by the Ascopiave Group to the Iren Group.
The costs recognised at year-end for the purchase of energy efficiency bonds are calculated by valuing the quantity of bonds accrued with respect to the 2024 target (regulatory period June 2024 - May 2025). The unit cost for the securities not purchased at the closing date of this report is equal to the fair value of the prices recorded in the reference market, calculated as of 31 December 2024 as Euro 249.23 (Euro 252.50 as of 31 December 2023).

39. Other income

The table below provides a breakdown of other operating income for the accounting period examined:

	Full Year	
(Thousands of Euro)	2024	2023
Other income	506	16,965
Other income	**506**	**16,965**

At the end of the accounting period 2024, other operating income decreased by Euro 16,459,000 from Euro 16,965,000 to Euro 506,000 in the year under review.
The recorded decrease is mainly explained by the inscription, during the accounting period 2023, of the capital gain generated in relation to the exercise of the sale option on the shareholding in Estenergy, equal to Euro 13,558 thousand. The comparative figure also included the capital gain, equal to Euro 3,154,000, accrued in relation to the transfer of the gas distribution plants of Atem Udine 2 to the new concessionaire following the awarding of the tender for the area. Other income recognised at the end of the reporting year includes insurance settlements of Euro 331,000.

40. Amortization and depreciation

The table below shows the details of depreciation for the accounting periods considered:

	Full Year	
(Thousands of Euro)	2024	2023
Intangible fixed assets	41,133	38,689
Tangible fixed assets	9,276	8,287
Amortization of rights of use	1,372	1,256
Amortization	**51,781**	**48,232**

At year-end, depreciation and amortisation recorded an increase of Euro 3,549,000 compared to the previous year, going from Euro 48,232,000 as of 31 December 2023, to Euro 51,781,000 for the year of reference. The increase recorded is mainly explained by the amortisation quotas pertaining to investments made during the previous year and during the year of reference.

Financial income and expenses

41. Financial income and expenses

The table below provides a breakdown of financial income and expenses for the accounting period examined:

	Full Year	
(Thousands of Euro)	2024	2023
Interest income on bank and post office accounts	275	266
Other interest income	141	1,526
Distribution of dividends from controlled companies	4,251	4,228
Financial income	**4,666**	**6,020**
Interest expense on banks	2,747	5,211
Interest expense on loans	9,941	5,901
Other financial expense	2,184	2,839
Financial expense	**14,872**	**13,950**
Share of profit from equity-accounted investments	7,892	3,566
Share of profit from equity-accounted investments	**7,892**	**3,566**
Total net financial (expense) / income	**(2,314)**	**(4,364)**

At year-end, financial income and expenses showed a negative balance of Euro 2,314,000, with an improvement of Euro 2,050,000 compared to the negative balance of the previous year (-Euro 4,364,000).
The change is mainly explained by the higher result recorded with reference to the item consolidated using the equity method (+4,326 thousand) and by the worsening of the net balance of financial income and expenses (-2,276 thousand).
The result of the companies consolidated with the net equity method shows an increase of Euro 4,326 thousand compared to the previous year. The item includes the consolidated profit accrued by the associated company Cogeide S.p.A., 18.33% owned by the Ascopiave Group, and by the associated company Estenergy S.p.A., 25% owned by the Ascopiave Group. Specifically in relation to the latter, the valuation recorded is representative of the results achieved by the same as of 30 September 2024. It should be noted that following the exercise of the put option, already described in the "equity investments" section of this report, the recognised equity investment was reclassified as an asset held for sale.
The worsening recorded in the net balance of financial income and expenses is mainly explained by the higher interest expense accrued on short-term and medium-/long-term loans, at variable rates, due to the increase in interest rates. It should also be noted that the year under comparison included the recognition of the discount applied at the time of the acquisition of tax credits from the 110% super bonus, which resulted in the recognition of financial income for a total of Euro 1,300 thousand.

Taxes

42. Income taxes

The table below shows the composition of income taxes for the accounting period examined, distinguishing the current component from the deferred and prepaid component:

	Full Year	
(Thousands of Euro)	2024	2023
IRES current taxes	9,372	6,333
IRAP current taxes	2,987	2,485
(Advance)/Deferred taxes	1,390	(3,300)
Substitute tax	30	75
Taxes previous years	(951)	(588)
Income taxes	**12,828**	**5,005**

Accrued taxes increased from Euro 5,005,000 in the previous year to Euro 12,828,000 in the year under , an increase of Euro 7,823,000. The increase is partly explained by the higher taxable base achieved.

The table below shows the incidence of income taxes on the pre-tax result for the accounting period examined:

	Full Year	
(Thousands of Euro)	2024	2023
Earnings before tax	49,329	41,626
Income taxes	12,828	5,005
Percentage of income before taxes	**26.0%**	**12.0%**

The tax rate recorded at 31 December 2024 was 26.0%, while at the end of the previous year it was 12%. The tax rate, calculated by normalising the pre-tax results of the accounting periods concerned by the effects of the consolidation of the company consolidated using the equity method, the dividends received, and the capital gain realised as part of the rationalisation operation of the gas distribution concessions, rose from 30.2% as of 31 December 2023 to 34.5% as of 31 December 2024.
The table below shows the reconciliation of the theoretical and actual tax burden:

	Full Year	
(Thousands of Euro)	2024	2023
Applicable rate	24.0%	24.0%
Earnings before tax	49,328	41,626
Theoretical tax burden	11,839	9,990
Share of profit of equity-accounted investees	(1,894)	(856)
Dividends received from subsidiaries companies	(969)	(964)
Capital gains on shareholding disposals	-	(3,091)
ACE	-	(1,143)
Other permanent changes	1,787	(904)
Effective IRES tax burden	**10,762**	**3,032**
Taxes from previous years	(951)	(588)
Substitute tax	30	75
IRAP current taxes	2,987	2,485
Income taxes	**12,828**	**5,005**
Effective tax rate	**26.0%**	**12.0%**

Net result from assets held for sale

43. Net result from transfer/disposal of assets

The table below details the net result of assets held for sale in the accounting periods considered:

	Full Year	
(Thousands of Euro)	2024	2023
Result of assets held for sale	0	56
Net result from transer/disposal of assets	**0**	**56**

At the end of the previous year, the item included the economic result achieved in January by the branches subject to the rationalisation transaction of the natural gas distribution concessions finalised with the Iren Group on 31 January 2023, as well as the result accrued during the first quarter of the year by the natural gas distribution concessions that were subject to delivery on 1 April 2023 following the awarding of the tender for the Udine 2 Atem.

Non-recurring components

Pursuant to CONSOB communication No. 15519/2005, we report the absence of non-recurring items in this annual financial report as of 31 December 2024, whereas, we point out that, at the end of the 2023 accounting period, the item "other operating income" included non-recurring income for Euro 13,558 thousand, related to the exercise of the put option on the shareholding in EstEnergy S.p.A., which Ascopiave exercised to the extent of 15%.

Transactions arising from atypical and/or unusual operations

Pursuant to Consob Communication No. DEM/6064296 of 28 July 2006, it should be noted that no atypical and/or unusual transactions took place during the year.

Commitments and risks

Guarantees given

As at 31 December 2024, the Group has provided the following guarantees:

Guarantees held by companies within the scope of consolidation:

(Thousands of Euro)	31th December 2024	31th December 2023
On credit lines	8,067	6,307
On execution of works (letter of comfort)	10,580	10,983
On distribution concession (letter of comfort)	6,085	6,509
On concessions for water derivations for hydroelectric use	454	460
On the sale of energy produced from renewable sources	120	120
On occupation of public spaces and areas	106	106
On renewable energy production plants	7,943	8,175
Total	**33,355**	**32,659**

Load guarantees issued by Ascopiave S.p.A. in favour of associated companies:

(Thousands of Euro)	31th December 2024	31th December 2023
Patronage to cover the obligations deriving from the related relationships	7,886	10,798
On UTF offices and regions for taxes on gas (letter of comfort)	0	1,850
Total	**7,886**	**12,648**

Risk factors and uncertainty

Information on agreements not shown in the balance sheet
Pursuant to Article 2427, first paragraph, item 22-ter of the Italian Civil Code, introduced by Legislative Decree 173 on 23 November 2008, we report that the company does not have any agreements that are not reflected in the balance sheet.

Financial risk management: metrics and goals
The financing of the Group's operating activities is mainly through the use of short and medium/long-term bank loans, the issuance of bonds, hire purchase agreements and on-demand and short-term bank deposits. Recourse to these forms of financing, being partly at variable rates, exposes the Group to the risk of interest rate fluctuations, which then determine possible changes in financial expenses.
Operating activities, on the other hand, expose the Group to possible credit risks with counterparties.
The Group is also subject to liquidity risk, as the available financial resources may not be sufficient to meet its financial obligations on the terms and deadlines envisaged.
The Board of Directors reviews and agrees on policies to manage these risks, described below.

Interest rate risk
The Group manages its liquidity needs by means of temporary credit lines and short-term loans at variable rates, which, due to their continuous fluctuation, do not allow for easy hedging relative to interest rate risk. The Group also manages its liquidity needs through medium/long-term loans with fixed and variable rates, as well as through the issue of bonds with fixed rates.
The medium/long-term bank loans managed by the Group, regulated at both variable and fixed rates, present a residual debt as of 31 December 2024 of Euro 287,296 thousand and maturities between 1 January 2025 and 30 June 2040.
The medium- and long-term bank loans at variable interest rates are repayable between 2025 and 2029, and as of 31 December 2024 had a total residual debt of Euro 224,565 thousand (Euro 202,393 thousand as of 31 December 2023), of which Euro 8,000 thousand was hedged through the subscription of financial derivatives, for which the interest rate risk

was therefore sterilised.
It should be noted that, as of 31 December 2024, the derivative instruments hedging the risk of changes in interest rates, relative to the loans underwritten with BNL and Credit Agricole - Friuladria and to the leasing of the subsidiary Asco Power with Intesa Sanpaolo, detailed in section no. 15 "Assets on derivative financial instruments", showed an overall positive mark-to-market of Euro 655 thousand and were effective.
The loans signed with BNL and Cassa Centrale Banca are not exposed to interest rate risk, as they provide for the application of a fixed rate, in addition to the loan signed by the subsidiary Salinella Eolico with Iccrea Banca, with residual debt at year-end of Euro 46,399 thousand, as well as the bond loan with residual debt at 31 December 2024 of Euro 62,732 thousand.
The loans represented are subject to financial covenants, which were met as at 31 December 2024.
For further details, please refer to Paragraph 20 'Long-Term Outstanding Bonds', Paragraph 21 'Non-current bank loans' and Paragraph 25 'Short term outstanding bonds'.

Sensitivity analysis to interest rate risk
The table below shows the impact on the Group's pre-tax profit of possible changes in interest rates in a reasonably possible range:

(Thousands of Euro)	I qtr 2024	II qtr 2024	III qtr 2024	IV qtr 2024	
Net Financial Position 2024	(400,761)	(408,882)	(405,376)	(396,374)	
Borrowing rates of interest	1.59%	1.80%	2.11%	0.82%	
Lending rates of interest	3.41%	3.43%	3.45%	3.28%	
Borrowing rate of interest plus 200 basis points	3.59%	3.80%	4.11%	2.82%	
Lending rates of interest plus 200 basis points	5.41%	5.43%	5.45%	5.28%	
Borrowing rate of interest reduced of 50 basis points	1.09%	1.30%	1.61%	0.32%	
Lending rates of interest reduced of 50 basis points	2.91%	2.93%	2.95%	2.78%	
Net Financial Position recalculated with the increase of 200 basis points	(402,737)	(410,921)	(407,419)	(398,372)	
Net Financial Position recalculated with decrease of 50 basis points	(400,267)	(408,372)	(404,865)	(395,874)	Total
Effect on pre-tax result of the increase of 200 basis points	(1,976)	(2,039)	(2,044)	(1,998)	(8,057)
Effect on pre-tax result of the decrease of 50 basis points	494	510	511	500	2,014

The sensitivity analysis, obtained by simulating a change in the interest rates applied to the Group's average Net Financial Position for each quarter equal to 50 basis points in decrease and equal to 200 basis points in increase, keeping all other variables constant, leads to an estimate of an effect on the pre-tax result between a worsening of Euro 8,057 thousand and an improvement of Euro 2,014 thousand.

Credit risk
In the gas distribution business, the Group provides its business services to a limited number of gas operators, whose non-payment or delayed payment of fees could adversely affect their economic results and financial equilibrium, but credit protection is supported by the application of the guarantee mechanisms provided for by the Network Code.
For further information, please refer to section '9. Trade Receivables'.

Liquidity risk
Liquidity risk represents the Group's inability to meet its financial obligations, within the terms and deadlines envisaged, with the financial resources available, due to the inability to raise new funds or liquidate assets on the market, determining an impact on the economic result if the Group is forced to incur additional costs to meet its commitments, or a situation of insolvency with consequent risk for the business activity.
The Group constantly strives to maintain maximum balance and flexibility between financing sources and uses, minimising this risk. The two main factors influencing the Group's liquidity are, on the one hand, the resources generated or absorbed by operating or investment activities, and on the other, the maturity and renewal characteristics of debt.

Risks specific to the business in which the Group operates

Regulation

The Ascopiave Group carries out activities in the gas sector that are subject to regulation. The directives and regulatory measures issued on the subject by the European Union and the Italian Government and the decisions of the Authority for Electricity, Gas and the Water System may have a significant impact on operations, economic results and financial equilibrium. Future changes in the regulatory policies adopted by the European Union or at a national level could have unforeseen repercussions on the regulatory framework of reference and, consequently, on the Group's activities and results.

CLIMATE CHANGE RISK MANAGEMENT

Operating in the energy sector, the Ascopiave Group has a synergetic relationship with the phenomenon of "climate change" and its business operations contribute in an immediate form to the various climate scenarios dictated by international literature such as the IPCC (International Panel for Climate Change) and NGFS (Network for Greening the Financial System).

Following the acquisitions made in 2021 and 2022 in the renewable energy sector, and with the development of new projects and investments underway, the Ascopiave Group, with its updated Strategic Plan 2024-2027, continues its commitment to the climate change mitigation activities defined by the European Green Deal, to create a carbon neutral economy by 2050, and, to reduce emissions by 55% by 2030.

In this regard, the Ascopiave Group, aware that it works in a sector that is extremely influenced by climate change, has performed an initial analysis to adapt the framework of risks and opportunities within its corporate perimeter. The analysis was conducted taking as a reference the TCFD (Task Force on Climate-related Financial Disclosure) guidelines implemented by the European Commission in the 'Guidelines on the Disclosure of Non-Financial Information: Integration Governing the Disclosure of Climate-related Information'. The project, resulting in a preliminary "disclosure", analysed the 4 pillars recommended by the document: Governance, Strategy, Risk Management, Metrics & Targets.

During 2021, Ascopiave S.p.A. placed the pursuit of the objective of "sustainable success" at the centre of its corporate culture and corporate governance system and on 15 January 2021, the Board of Directors of Ascopiave S.p.A. formally adhered to the new Corporate Governance Code which, in Principle I, promotes "sustainable success". The same year also saw the establishment of the Sustainability Committee with investigative functions, of a propositional and advisory nature, in the parent company's assessments and decisions on environmental sustainability and the so-called "energy transition".

In addition to the Sustainability Committee, the Board of Directors is also supported by the Control and Risk Committee in its assessments and decisions governing the internal control and risk management system.

The Group's strategy aims to pursue sustainable success and is oriented towards the objective of stable value creation for shareholders, aware of the potentially significant impacts that climate may have on customers, stakeholders and business. As part of the process of energy transition and business diversification, the Ascopiave Group aims, through growth based on the enhancement of the skills possessed, to identify one or more useful strategies to mitigate the negative effects of possible scenarios resulting from climate change. Part of the planned investments in diversification in the renewable energy sector are destined for energy transition by focusing on gases defined as "green", as well as the development of new wind power plants.

Diversification within its corporate perimeter not only makes the Group more profitable and resilient to exogenous events, but also has pervasive effects on the Group's consciousness and responsibility.

With particular reference to the risks and opportunities related to climate change, the Ascopiave Group relies on the support of the Governance committees Sustainability Committee and Control and Risk Committee, and, starting from October 2022, on the figure of the Risk Manager. In line with the recommendations of the TCFD, risk management involves the following steps: identification and assessment of risks/opportunities, definition of the response, periodic review and continuity/improvement of safeguards.

Public grants received

With reference to the changes introduced by Law No. 124 of 4 August 2017 "Annual Law on Competition", art. 1 co.125-129, we report that during 2024 the following contributions were collected from public entities. These mainly relate to interventions performed on user derivations and from interventions on the natural gas distribution network.

	Grantor Entities		
Beneficiary institution	Name / Company name	Type of operation	Amount (Euro)
Ap Reti Gas S.p.A.	Comune di Breda di Piave	Interventions on gas derivations	10,138
Ap Reti Gas S.p.A.	Comune di Calvene	Interventions on gas derivations	5,543
Ap Reti Gas S.p.A.	Comune di Camposampiero	Interventions on gas derivations	4,535
Ap Reti Gas S.p.A.	Comune di Cappella Maggiore	Interventions on gas derivations	1,558
Ap Reti Gas S.p.A.	Comune di Carmignano di Brenta	Interventions on gas derivations	36,658
Ap Reti Gas S.p.A.	Comune di Casier	Interventions on gas derivations	4,191
Ap Reti Gas S.p.A.	Comune di Codognè	Interventions on gas derivations	3,297
Ap Reti Gas S.p.A.	Comune di Colceresa	Interventions on gas derivations	2,065
Ap Reti Gas S.p.A.	Comune di Conegliano	Interventions on gas derivations	2,831
Ap Reti Gas S.p.A.	Comune di Creazzo	Gas distribution network	38,550
Ap Reti Gas S.p.A.	Comune di Crocetta del Montello	Interventions on gas derivations	8,517
Ap Reti Gas S.p.A.	Comune di Fossalta di Portogruaro	Interventions on gas derivations	2,446
Ap Reti Gas S.p.A.	Comune di Fregona	Interventions on gas derivations	1,002
Ap Reti Gas S.p.A.	Comune di Giavera del Montello	Interventions on gas derivations	82
Ap Reti Gas S.p.A.	Comune di Gruaro	Interventions on gas derivations	175
Ap Reti Gas S.p.A.	Comune di Maserada sul Piave	Interventions on gas derivations	2,562
Ap Reti Gas S.p.A.	Comune di Meduna di Livenza	Interventions on gas derivations	82
Ap Reti Gas S.p.A.	Comune di Orsago	Interventions on gas derivations	2,012
Ap Reti Gas S.p.A.	Comune di Paese	Interventions on gas derivations	10,568
Ap Reti Gas S.p.A.	Comune di Pasiano	Interventions on gas derivations	4,839
Ap Reti Gas S.p.A.	Comune di Pieve di Soligo	Interventions on gas derivations	1,981
Ap Reti Gas S.p.A.	Comune di Portogruaro	Interventions on gas derivations	410
Ap Reti Gas S.p.A.	Comune di Portogruaro	Gas distribution network	4,724
Ap Reti Gas S.p.A.	Comune di Riese Pio X	Interventions on gas derivations	2,804
Ap Reti Gas S.p.A.	Comune di S. Polo di Piave	Interventions on gas derivations	2,480
Ap Reti Gas S.p.A.	Comune di Sandrigo	Interventions on gas derivations	586
Ap Reti Gas S.p.A.	Comune di Sarcedo	Interventions on gas derivations	1,852
Ap Reti Gas S.p.A.	Comune di Spresiano	Interventions on gas derivations	4,760
Ap Reti Gas S.p.A.	Comune di Tarzo	Interventions on gas derivations	445
Ap Reti Gas S.p.A.	Comune di Tezze sul Brenta	Interventions on gas derivations	1,447
Ap Reti Gas S.p.A.	Comune di Trebaseleghe	Interventions on gas derivations	475
Ap Reti Gas S.p.A.	Comune di Valdobbiadene	Interventions on gas derivations	601
Ap Reti Gas S.p.A.	Comune di Villorba	Interventions on gas derivations	1,486
Ap Reti Gas S.p.A.	Comune di Zugliano	Interventions on gas derivations	8,425
Ap Reti Gas S.p.A.	Comune di Albignasego	Interventions on gas derivations	2,262
Ap Reti Gas S.p.A.	Comune di Gonars Municipio	Interventions on gas derivations	2,027
Ap Reti Gas S.p.A.	Comune di Padova	Interventions on gas derivations	7,311
Ap Reti Gas S.p.A.	Comune di Terzo D'Aquileia	Interventions on gas derivations	1,032
Ap Reti Gas S.p.A.	Comune di Marcon	Gas distribution network	27,940
Ap Reti Gas S.p.A.	Comune di San Dona' di Piave	Interventions on gas derivations	1,953
Ap Reti Gas S.p.A.	Comune di Castelgomberto	Interventions on gas derivations	1,883
Ap Reti Gas S.p.A.	Comune di Costabissara	Interventions on gas derivations	2,325
Ap Reti Gas S.p.A.	Comune di San Giorgio in Bosco	Interventions on gas derivations	1,724
Ap Reti Gas S.p.A.	Comune di San Vito di Leguzzano	Interventions on gas derivations	1,884
Ap Reti Gas S.p.A.	Comune di Valdagno	Interventions on gas derivations	6,887
Ap Reti Gas S.p.A.	Comune di Villaga	Interventions on gas derivations	785
Ap Reti Gas Nord Ovest S.p.A.	Comune di Treviglio	Interventions on gas derivations	2,728
Ap Reti Gas Nord Ovest S.p.A.	Comune di Canneto sull'Oglio	Interventions on gas derivations	5,132
Ap Reti Gas Nord Ovest S.p.A.	Comune di Caravaggio	Interventions on gas derivations	1,485
Ap Reti Gas Nord Ovest S.p.A.	Comune di Cerrione	Interventions on gas derivations	99
Ap Reti Gas Nord Ovest S.p.A.	Comune di Mozzanica	Interventions on gas derivations	60
Ap Reti Gas Nord Ovest S.p.A.	Comune di Buccinasco	Interventions on gas derivations	2,032
Ap Reti Gas Nord Ovest S.p.A.	Comune di Lodrino	Interventions on gas derivations	3,081

Capital Management

The primary objective of the Group's capital management is to ensure that a sound credit rating and adequate capital indicator levels are maintained. The Group may adjust dividends paid to shareholders, redeem capital or issue new shares.
The Group verifies its capital by comparing its total net financial position to equity.
The Group's net debt includes interest-bearing loans and other financial liabilities, net of cash and cash equivalents.

(Thousands of Euro)	31th December 2024	31th December 2023
Short-term net financial position	74,429	94,011
Long-term net financial position	313,172	295,352
Net financial position	**387,602**	**389,363**
Share capital	234,412	234,412
Treasury shares	(55,987)	(55,423)
Reserves	643,543	639,117
Undistributed net profit	35,823	36,176
Total Net equity	**857,789**	**854,282**
Total sources of funding	**1,245,390**	**1,243,645**
Net financial position / Net equity ratio	**0.45**	**0.46**

The NFP/shareholder's equity ratio as at 31 December 2024 was 0.45, showing a decrease compared to 31 December 2023.
The trend of this indicator is related to the combined effect of the change in Net Financial Position, which decreased by Euro 1,761 thousand during the year, and in Shareholders' Equity, which increased by Euro 3,506 thousand, changes due to investments made, the result accrued during the year and partly to the normal flow related to ordinary activities

Representation of financial assets and liabilities by category

The breakdown of financial assets and liabilities by category and their *fair value* (IFRS 13) as at 31 December 2024 and 31 December 2023 is as follows:

					31th December 2024
(Thousands of Euro)	A	B	C	D	Total
Shareholdings		105,472			105,472
Other non-current assets			4,483		4,483
Non current financial assets			2,249		2,249
Trade receivables and other current assets			102,207		102,207
Current financial assets			816		816
Cash and cash equivalents			34,183		34,183
Current assets from derivative financial instruments		828			828
Long term outstanding bonds				78,805	78,805
Non-current bank loans				229,824	229,824
Other non-current liabilities				3,717	3,717
Non-current financial liabilities				6,792	6,792
Short term outstanding bonds				7,606	7,606
Payables due to banks and financing institutions				101,688	101,688
Trade payables and other current liabilities				97,343	97,343
Current financial liabilities				885	885
Current liabilities from derivative financial instruments		832			832

					31th December 2023
(Thousands of Euro)	A	B	C	D	Total
Shareholdings		308,331			308,331
Other non-current assets			2,350		2,350
Non current financial assets			2,507		2,507
Trade receivables and other current assets			111,534		111,534
Current financial assets			1,743		1,743
Cash and cash equivalents			52,083		52,083
Current assets from derivative financial instruments		4,821			4,821
Long term outstanding bonds				86,347	86,347
Non-current bank loans				204,064	204,064
Other non-current liabilities				3,252	3,252
Non-current financial liabilities				7,448	7,448
Short term outstanding bonds				7,708	7,708
Payables due to banks and financing institutions				140,642	140,642
Trade payables and other current liabilities				92,458	92,458
Current financial liabilities				1,562	1,562
Current liabilities from derivative financial instruments		0			0

Legend

A - Assets and liabilities at fair value through profit or loss

B - Assets and liabilities at fair value through equity (including hedging derivatives)

C - Loans and receivables (including cash and cash equivalents)

D - Financial liabilities recognised at amortised cost

Sector Information

Segment reporting is provided with reference to the business segments in which the Group operates. The business segments have been identified as primary business segments. The metrics applied to identify primary business segments were inspired by the way in which management manages the Group and assigns management responsibilities.
For the purposes of the information required by IFRS 8 'Segment Reporting Operating Segments', the company has identified the 'gas distribution', 'renewable energy' and 'other' segments as the business segments subject to disclosure. Specifically, the 'other' segment includes cogeneration, heat supply, water service and the results of the parent company.
Geographical segment reporting is not provided as the Group does not operate any business outside Italy.
The table below provide information governing the Group's business segments of the accounting period 2024 and the accounting period 2023.

12M 2024 (Thousands of Euro)	Gas Distribution	Renewables energies	Other	31.12.2024 values from new acquisitions	Elision	Total
Net revenues to third-party customers	173,676	29,008	2,274	0		204,958
Intra-group revenues among the segment	5,139	19,184	6,924	0	(31,248)	0
Segment revenue	**178,815**	**48,192**	**9,198**	**0**	**(31,248)**	**204,958**
Operating result before amortization	92,045	18,837	(7,458)	0		103,424
Amortization	42,771	7,442	1,568	0		51,781
Operating result	**49,273**	**11,396**	**(9,027)**	**0**		**51,642**
Result before taxes	**44,988**	**9,894**	**(5,553)**	**0**		**49,329**
Assets	772,476	122,490	334,064	0	223,290	1,452,320
Liabilities	(112,217)	(6,639)	(252,386)	0	(223,290)	(594,532)

12M 2023 (Thousands of Euro)	Gas Distribution	Renewables energies	Other	31.12.2023 values from new acquisitions	Elision	Total
Net revenues to third-party customers	151,765	20,919	3,780	4,330		180,794
Intra-group revenues among the segment	7,528	9,801	7,187	155	(24,671)	0
Segment revenue	**159,294**	**30,720**	**10,967**	**4,485**	**(24,671)**	**180,794**
Operating result before amortization	74,226	11,213	7,421	1,362		94,222
Amortization	39,071	6,359	1,554	1,248		48,232
Operating result	**35,155**	**4,854**	**5,867**	**115**		**45,990**
Result before taxes	**33,153**	**3,749**	**4,653**	**71**		**41,626**
Assets	781,212	110,143	356,517	0	214,112	1,461,984
Liabilities	(118,800)	(30,857)	(243,933)	0	(214,112)	(607,702)

Fees to the auditing company

Pursuant to Article 149-duodecies of the Consob Issuers' Regulations, we hereby disclose the fees for accounting period 2024 for audit and non-audit services rendered to the same auditing firm.

Type of services	Entity providing the service	Recipient	Fees (Thousand of Euro)
Audit	KPMG S.p.A.	Ascopiave S.p.A.	187
	KPMG S.p.A.	Controlled companies	154
Statutory audit of separate accounts	Pricewaterhousecooper S.p.A.	Ascopiave S.p.A.	16
	Pricewaterhousecooper S.p.A.	Controlled companies	59
Other services	KPMG S.p.A.	Ascopiave S.p.A.	3
	KPMG S.p.A.	Controlled companies	0
Total			**418**

Earnings per share

As required by IAS 33, information is provided on the data used to calculate earnings per share and diluted earnings per share.
Earnings per share are calculated by dividing the net profit for the period attributable to the Company's shareholders by the number of shares, net of treasury shares.
For the purpose of calculating the basic earnings per share, it should be noted that the numerator was the profit or loss for the year, less the portion attributable to minority interests.
It should be noted that there are no preference dividends, conversion of preference shares and other similar effects that would have to adjust the economic result attributable to holders of ordinary equity instruments.
Diluted earnings per share are equal to earnings per share as there are no ordinary shares that could have a dilutive effect and no shares or warrants that could have the same effect.
The table below shows the result and the number of ordinary shares used for the calculation of basic earnings per share, determined according to the method prescribed by IAS 33:

(Thousands of Euro)	31th December 2024	31th December 2023
Net profit attributable to parent company shareolders	35,824	36,176
Weighted average number of ordinary share including treasury shares, for the purpose of earnings per share	234,411,575	234,411,575
Weighted average number of treasury share	17,837,649	17,701,578
Weighted average number of ardinary share excluding treasury share, for the purpose of net income per share	216,573,927	216,709,997
Earning per share (in Euro)	0.165	0.167

Transactions with related parties

Details of transactions with related parties in the period under review are summarised in the table below:

	31.12.2024				Revenues			Costs		
(Thousands of Euro)	Trade receivables	Other receivables	Trade payables	Other payables	Goods	Services	Other	Goods	Services	Other
Asco Holding S.p.A.	51	174	21	0	0	201	0	0	70	0
Total parent company	**51**	**174**	**21**	**0**	**0**	**201**	**0**	**0**	**70**	**0**
Cogeide S.p.A	33	0	0	0	0	399	202	0	0	0
ASM Set S.r.l.	503	0	0	0	0	2,321	0	0	0	0
Etra Energia S.r.l.	51	0	0	0	0	170	0	0	0	0
Estenergy S.p.A.	14,095	0	0	0	0	51,784	0	0	0	0
Total subsidiary companies	**14,683**	**0**	**0**	**0**	**0**	**54,674**	**202**	**0**	**0**	**0**
Total	**14,733**	**174**	**21**	**0**	**0**	**54,875**	**202**	**0**	**70**	**0**

<u>Relations arising from the tax consolidation with Asco Holding S.p.A:</u>
Ascopiave S.p.A., AP Reti Gas S.p.A., AP Reti Gas Rovigo S.r.l., Edigas Esercizio Distribuzione Gas S.p.A., and Asco Energy S.p.A. had adhered to the consolidation of tax relations under the parent company Asco Holding S.p.A..
This lapsed due to the change in the accounting period of the latter, which no longer coincides with 31 December. The current assets and liabilities recorded consequently refer only to past positions.

<u>Governing parent companies</u>
Revenues recognised in respect of the parent company Asco Holding S.p.A. relate to administrative, treasury management and personnel services.

<u>Governing affiliated companies</u>
It should be noted that during the fourth quarter of the accounting period, the parent company Ascopiave exercised the existing put option on the equity investment held in Estenergy S.p.A.. The transaction will be finalised during the 2025 accounting period and consequently the value of the equity investment, measured at 30 September 2024 using the equity method of valuation, has been reclassified to the item 'assets held for sale' in compliance with the dictates of the international accounting standard IFRS 5.

- towards Estenergy S.p.A.:
  - Trade receivables refer to the natural gas transportation service on the distribution network registered by AP Reti Gas Nord Est S.r.l. and to facility services provided by Ascopiave S.p.A.;
  - Trade payables are related to the supply of natural gas and electrical energy incurred by Ascopiave S.p.A., AP Reti Gas Nord Est S.r.l., AP Reti Gas S.p.A. and Edigas S.p.A.;
  - Costs for goods relate to the purchase of gas and electricity incurred by Ascopiave S.p.A., AP Reti Gas Nord Est S.r.l., AP Reti Gas S.p.A. and Edigas S.p.A.;
  - Dividends are resolved by the shareholders' meeting;
  - Revenues for services refer to revenues from gas transportation and distribution services entered by AP Reti Gas S.p.A. and to facility services provided by Ascopiave S.p.A..

- towards Etra Energia S.r.l.:
  - Trade receivables refer to the natural gas transportation service on the distribution network registered by AP Reti Gas S.p.A.;
  - Revenues for services refer to revenues from gas transportation and distribution services with AP Reti Gas S.p.A. and AP Reti Gas Vicenza S.p.A..

- towards ASM Set S.r.l.:
    - Costs for goods relate to the purchase of gas with AP Reti Gas Rovigo S.r.l.;
    - Revenues for services refer to revenues from gas transportation and distribution services with AP Reti Gas Rovigo S.r.l..

- towards Cogeide S.p.A.:
    - Revenues relate to mapping and consulting services related to the water network with Cart Acqua S.r.l.;
    - Dividends are resolved by the shareholders' meeting;

- towards Cogeide S.p.A.:
    - Revenues relate to mapping and consulting services related to the water network with Cart Acqua S.r.l.;
    - Dividends are resolved by the shareholders' meeting;

It should be noted that:
- economic transactions between Group companies and subsidiaries and affiliated companies take place at market prices and are eliminated in the consolidation process;
- transactions entered into by Group companies with related parties are part of normal business operations and are settled at market prices;
- with reference to the provisions of Article 150, paragraph 1 of Legislative Decree No. 58 of 24 February 1998, no transactions in potential conflict of interest with Group companies were performed by members of the board of directors.

On 24 November 2010, the Board of Directors approved the Procedure for Transactions with Related Parties (the 'Procedure'). The Procedure regulates related party transactions performed by the Company, directly or through subsidiaries, pursuant to the Regulation adopted pursuant to Article 2391-bis of the Italian Civil Code by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution No. 17221 of 12 March 2010, as amended. The Procedure came into force on 1° January 2011 and replaced the previous regulation on related party transactions, approved by the Company's Board of Directors on 11 September 2006 (subsequently amended).
For the contents of the Procedure, please refer to the document available on the Issuer's website at the following address: http://www.gruppoascopiave.it/wp-content/uploads/2015/01/Procedura-per-le-operazioni-con-parti-correlate-GruppoAscopiave-20101124.pdf.
For the purposes of implementing the Procedure, a mapping of the so-called Related Parties is performed periodically. Related Parties, in relation to which the contents and control measures provided for in the document are applicable. The Directors are also called upon to declare, if any, any conflicting interests with respect to the performance of the transactions in question.

Financial statements submitted pursuant to Consob Resolution 15519/2006

Below are the financial statement schedules showing the effects of related party transactions disclosed pursuant to Consob Resolution No. 15519 of 27 July 2006:

Consolidated Statement of Financial Position

(Thousands of Euro)	31.12.2024	of which related parties						31.12.2023	of which related parties					
		A	B	C	D	Total	%		A	B	C	D	Total	%
Assets														
Non-current assets														
Goodwill	61,727							61,727						
Intangible assets	725,693							704,627						
Property, plant and equipment	161,897							156,475						
Equity-accounted investments	8,216			8,216		8,216	100.0%	211,074			211,074		211,074	100.0%
Investments in other companies	97,256							97,257						
Other non-current assets	5,695							3,478						
Non current financial assets	2,249							2,507						
Deferred tax assets	38,524							39,301						
Non-current assets	**1,101,257**			**8,216**		**8,216**	**0.7%**	**1,276,446**			**211,074**		**211,074**	**16.5%**
Current assets														
Inventories	7,017							8,276						
Trade receivables	63,057	51		14,683		14,733	23.4%	33,382	63	128	15,565		15,756	47.2%
Receivables from CSEA	32,678	174				174	0.5%	39,908						
Other current assets	9,604							40,923	174				174	0.2%
Current financial assets	816							1,743						
Current tax assets	491							4,017						
Cash and cash equivalents	34,183							52,083						
Current assets from derivative financial instruments	828							4,821						
Current assets held for sale	202,389			202,389				385						
Current assets	**351,063**	**224**		**217,072**		**14,907**	**4.2%**	**185,538**	**237**	**128**	**15,565**		**15,930**	**8.6%**
Assets	**1,452,320**	**224**		**225,288**		**23,123**	**1.6%**	**1,461,984**	**237**	**128**	**226,639**		**227,004**	**15.5%**
Net equity and liabilities														
Total Net equity														
Share capital	234,412							234,412						
Treasury shares	(55,987)							(55,424)						
Reserves	633,718							629,589						
Net Result of the Group	35,823							36,176						
Net equity of the Group	**847,966**							**844,753**						
Net equity of the Minorities	**9,823**							**9,529**						
Total Net equity	**857,789**							**854,282**						
Non-current liabilities														
Provisions	1,385							2,020						
Employee benefits	4,051							4,751						
Long term outstanding bonds	78,805							86,347						
Non-current bank loans	229,824							204,064						
Other non-current liabilities	41,875							39,360						
Non-current financial liabilities	6,792							7,448						
Deferred tax liabilities	17,101							17,618						
Non-current liabilities	**379,833**							**361,608**						
Current liabilities														
Short term outstanding bonds	7,606							7,708						
Payables due to banks and financing institutions	101,688							140,642						
Trade payables	65,433	21				21	0.0%	73,026	16	7	67		90	0.1%
Current tax liabilities	4,538							795						
Payables to CSEA	19,591							4,918						
Other current liabilities	14,125							17,196						
Current financial liabilities	885							1,562						
Current liabilities from derivative financial instruments	832							0						
Current liabilities disposal of liabilities	0							247						
Current liabilities	**214,698**	**21**				**21**	**0.0%**	**246,094**	**16**	**7**	**67**		**90**	**0.0%**
Liabilities	**594,531**	**21**				**21**	**0.0%**	**607,702**	**16**	**7**	**67**		**90**	**0.0%**
Net equity and liabilities	**1,452,320**	**21**				**21**	**0.0%**	**1,461,984**	**16**	**7**	**67**		**90**	**0.0%**

Related party column header legend:

A *Parent companies*

B *Subsidiaries*

C *Associated* and jointly controlled companies*

D *other related parties*

*It should be noted that during the fourth quarter of the accounting period, Ascopiave S.p.A. exercised its put option on the remaining shares of the associate Estenergy S.p.A. and, consequently, as of 1 October 2024, the value of the equity investment recognised as of 30 September 2024 was reclassified under assets held for sale. Completion of the sale will take place in the accounting period 2025.

Statements of Profit or Loss and Other Comprehensive Income

(Thousands of Euro)	FY 2024	A	B	C	D	Total	%	FY 2023	A	B	C	D	Total	%
		of which related parties							of which related parties					
Revenues	**204,958**	**201**		**54,674**		**54,875**	**26.8%**	**180,794**	**164**	**340**	**(23,695)**		**(23,191)**	**-12.8%**
Total operating costs	**101,535**	**70**			**1,348**	**1,418**	**1.4%**	**86,572**	**59**	**18**	**78**	**1,078**	**1,233**	**1.4%**
Raw materials, consumables, supplies and goods	2,939							2,265						
Costs for services	53,229	70			715	786	1.5%	50,474	59	18	78	532	687	3.3%
Personnel expenses	18,185				633	633	3.5%	20,914				546	546	
Other management costs	27,688							29,884						
Other income	506							16,965						
- of which non-recurring														
Amortization	51,781							**48,232**			13,558		13,558	
Operating result	**51,642**	**131**		**54,674**	**(1,348)**	**53,456**	**103.5%**	**45,990**	**105**	**322**	**(23,773)**	**(1,078)**	**(24,424)**	**-53.1%**
Financial income	4,666							6,020						
Financial expense	14,872							13,950						
Share of profit of equity-accounted investees	7,892			7,892		7,892	100.0%	3,566			3,566		3,566	100.0%
Earnings before tax	**49,328**	**131**		**62,566**	**(1,348)**	**61,349**	**124.4%**	**41,626**	**105**	**322**	**(20,207)**	**(1,078)**	**(20,858)**	**-50.1%**
Income taxes	12,828							5,005						
Result of the year from operating activities	**36,500**							**36,621**						
Net result from transer/disposal of assets								56						
Net result for the year	**36,500**							**36,677**						
Net Result of the Group	35,823							36,176						
Net Result of minorities	677							501						
Consolidated statement of comprehensive income														
1. Components that can be reclassified to the profit / (loss) of the year														
- Effective portion of the change in fair value of cash flow hedging instruments, net of tax effects	(3,156)							(3,180)						
- Share of comprehensive income of investments valued using the equity method	859							(11,135)						
2. Components that can not be reclassified to the profit / (loss) of the year														
- Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax	389							(75)						
- Fair value valuation of investment in other companies								(3,300)						
Total comprehensive income	**34,592**							**18,987**						
Result attributable to the shareholders of the parent company	34,151							18,472						
Result attributable to third party investments	441							515						
Diluted net income per share	0.166							0.167						

Related party column header legend:

***A** Parent companies*

***B** Subsidiaries*

***C** Associated* and jointly controlled companies*

***D** other related parties*

*It should be noted that during the fourth quarter of the accounting period, Ascopiave S.p.A. exercised its put option on the remaining shares of the associate Estenergy S.p.A. and, consequently, as of 1 October 2024, the value of the equity investment recognised as of 30 September 2024 was reclassified under assets held for sale. Completion of the sale will take place in the accounting period 2025.

Consolidated Cash Flow Statement

(Thousands of Euro)	FY 2024	of which related parties A	B	C	D	Totale	%	FY 2023	of which related parties A	B	C	D	Totale	%
Cash flows generated (used) by operating activities														
Total comprehensive income	**36,500**							**36,677**						
Adjustments to reconcile net income to net cash generated (used) by operating activities:														
Income taxes	12,828					0		5,005					0	
Net Financial expense/income	14,457					0		12,158					0	
Equity-Settled Share-Based Payment Transactions	81					0		0					0	
Depreciation and amortization	51,781					0		48,232					0	
Bad debt provisions and Credit losses	336					0		305					0	
Impairment of assets	0					0		3,109					0	
Losses / (gains) on disposals of fixed assets	3,329					0		(2,144)					0	
Capital (gains) / losses on sharehodings disposal	0					0		(11,754)					0	
Change in employee benefits	(311)					0		(260)					0	
Net change in other funds and other non monetary items	525					0		1,084					0	
Dividends from equity investments	(4,251)					0		(4,228)					0	
Equity accounted subsidiaries	(7,892)		(7,892)			(7,892)		(3,566)		(3,566)			(3,566)	
						0							0	
Variations in assets and liabilities						0							0	
Trade receivables	(29,675)	12	128	882		1,023		(13,583)	17	86	(7,315)		(7,212)	
Other current assets	34,894					0		(22,558)					0	
Other non-current assets	(1,438)					0		(1,146)					0	
Receivables/Payables from/to CSEA	24,221					0		75,607					0	
Inventories	1,259					0		(940)					0	
Trade payables	(9,911)	5	(7)	(67)		(69)		(107,169)	41	(59)	61,035		61,017	
Other current liabilities	(7,032)					0		719					0	
Other non-current liabilities	838					0		1,097						
						0							0	
Taxes paid	(6,023)					0		(1,484)					0	
Interests (paid)/received	(13,332)					0		(9,033)					0	
	0					0							0	
Cash flows generated (used) by operating activities	**101,184**	**17**	**(7,771)**	**815**	**0**	**(6,939)**		**6,128**	**58**	**(3,539)**	**53,720**	**0**	**50,239**	
						0							0	
Cash flows generated (used) by investments						0							0	
Investments in intangible assets and goodwill	(65,044)					0		(61,792)					0	
Realised value of intangible assets	0					0		9,412					0	
Investments in property, plant and equipment	(16,025)					0		(25,785)					0	
Realised value of property, plant and equipment	0					0		64					0	
Purchase of financial assets	0					0		(54,418)					0	
Disposal of financial assets	0					0		158,354					0	
Dividends received from equity accounted subsidiaries	9,220					0		18,997					0	
Dividends received	4,251					0		4,228					0	
						0							0	
Cash flows generated/(used) by investments	**(67,598)**					**0**		**49,060**					**0**	
						0							0	
Cash flows generated (used) by financial activities						0							0	
Increase / (decrease) on credit lines	7,006					0		(42,796)					0	
(Repayment) / New lease laiabilites	(1,425)					0		755					0	
New loans and borrowings	324,000					0		784,522					0	
Repayment of loans and borrowings	(350,081)					0		(794,000)					0	
Purchase of treasury shares	(647)					0		0					0	
Dividends paid	(30,339)					0		(28,503)					0	
						0							0	
Cash flows generated (used) by financial activities	**(51,486)**					0		**(80,022)**					0	
						0							0	
Net change in cash and cash equivalent	**(17,900)**					**0**		**(24,834)**					**0**	
						0							0	
Cash and cash equivalents at the beginning of the year	**52,083**					**0**		**76,917**					**0**	
Net change in cash and cash equivalent	(17,900)					(0)		(24,834)					(0)	
Cash and cash equivalents at the end of the year	**34,183**					**0**		**52,083**					**0**	

Related party column header legend:

***A** Parent companies*

***B** Subsidiaries*

***C** Associated* and jointly controlled companies*

***D** other related parties*

*It should be noted that during the fourth quarter of the accounting period, Ascopiave S.p.A. exercised its put option on the remaining shares of the associate Estenergy S.p.A. and, consequently, as of 1 October 2024, the value of the equity investment recognised as of 30 September 2024 was reclassified under assets held for sale. Completion of the sale will take place in the accounting period 2025.

Consolidated net financial debt

	(Thousands of Euro)	FY 2024	of which related parties A	B	C	D	Total	%	FY 2023	of which related parties A	B	C	D	Total	%
A	Cash and cash equivalents	34,183					0		52,083					0	
B	Equivalent to cash and cash equivalents	0					0		0					0	
C	Other current financial assets	816					0		3,818					0	
	- of which relatied parties	0					0		0					0	
D	**Liquid assets (A) + (B) + (C)**	**34,999**	**0**	**0**	**0**	**0**	**0**		**55,900**	**0**	**0**	**0**	**0**	**0**	
E	Current financial liabilities (including debt instruments, but excluding the current portion of non-current financial debt)	(45,885)					0		(61,562)					0	
	- of which relatied parties	0					0		0					0	
	- of which debt instruments current part	0					0		0					0	
F	Current portion of non -current financial debt	(64,294)					0		(88,350)					0	
	- of which relatied parties	0					0		0					0	
G	**Current financial indebtedness (E) + (F)**	**(110,180)**	**0**	**0**	**0**	**0**	**0**		**(149,912)**	**0**	**0**	**0**	**0**	**0**	
H	**Net current financial indebtedness (D) + (G)**	**(75,180)**	**0**	**0**	**0**	**0**	**0**		**(94,011)**	**0**	**0**	**0**	**0**	**0**	
I	Non-current financial debt (excluding the current portion and debt instruments)	(315,421)					0		(297,859)					0	
J	Debt instruments	0					0		0					0	
K	Trade payables and other non-current payables	0					0		0					0	
L	**Non-current financial indebtedness (1) + (J) + (K)**	**(315,421)**	**0**	**0**	**0**	**0**	**0**		**(297,859)**	**0**	**0**	**0**	**0**	**0**	
M	**Net financial indebtedness (H) + (L)**	**(390,602)**	**0**	**0**	**0**	**0**	**0**		**(391,870)**	**0**	**0**	**0**	**0**	**0**	

Related party column header legend:
A *Parent companies*
B *Subsidiaries*
C *Associated and jointly controlled companies*
D *other related parties*

The values shown in the tables above relate to the related parties listed below:

Group A - parent companies:
- Asco Holding S.p.A.

Group B - Associated Companies:
- Bim Piave Nuove Energie S.r.l.

Group C - Associated and jointly controlled companies:
- Estenergy S.p.A. (Group), associate*

Group D - other related parties:
- Board of Directors
- Auditors
- Strategic managers

*It should be noted that during the fourth quarter of the accounting period, Ascopiave S.p.A. exercised its put option on the remaining shares of the associate Estenergy S.p.A. and, consequently, as of 1 October 2024, the value of the equity investment recognised as of 30 September 2024 was reclassified under assets held for sale. Completion of the sale will take place in the accounting period 2025.

Significant events subsequent to the close of the accounting period 2024

Shareholders' agreements - updating of voting rights

On 7 January 2025, pursuant to the laws and regulations in force, Ascopiave informed that an updated version of the key information relating to the shareholders' agreement signed on 16 March 2020 was published in the Corporate Governance section of the website *www.gruppoascopiave.it*.

Ascopiave announced that this update exclusively concerns the change in the number of voting rights held by certain signatory shareholders consequent to the intervening increases in voting rights, as communicated by Ascopiave on 7 June 2024 and 5 July 2024.

Pursuant to Articles 65-quinquies, 65-sexies and 65-septies of the Issuers' Regulations, the document has been made available to the public at the company's registered office, at Borsa Italiana S.p.A., on the authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com) of Teleborsa S.r.l. and in the Corporate Governance section of the website *www.gruppoascopiave.it*.

Strategic Plan 2025-2028

On 13 February 2024, the Board of Directors approved the Group's 2025-2028 strategic plan. The plan outlines a sustainable growth path in the core businesses of gas distribution and renewable energies, enhancing the impact of investment initiatives already underway and with high visibility. These include the acquisition from the A2A Group of a number of gas distribution concessions in Lombardy, which should be finalised in July 2025 and will allow Ascopiave to further strengthen its presence in a regulated business with significantly stable profit margins.

The development will take place under conditions of a balanced financial structure, ensuring a profitable and growing dividend distribution.

Economic and financial highlights

- ✓ EBITDA to 2028: Euro 161 million (+ Euro 66 million compared to the 2024 budget);
- ✓ Net result to 2028: Euro 41 million (+ Euro 9 million compared to the preliminary 2024 result);
- ✓ Net investment 2025-2028: Euro 871 million;
- ✓ Divestments of minority interests 2025-2028: Euro 288 million;
- ✓ Net financial position to 2028: Euro 690 million;
- ✓ Financial leverage (Net Financial Position / Shareholders' Equity) to 2028: 0.76;
- ✓ Dividend payout forecast: 15 cents per share for the accounting period 2024, increasing by 1 cent per share in subsequent years until 2028.

The plan is based on four key strategic pillars: growth in core businesses, diversification into synergetic sectors, economic and operational efficiency and innovation.

The Group's strategy aims to pursue sustainable business success, integrating environmental, social and economic sustainability aspects, and is oriented towards the goal of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders.

Tender for sale of the shareholding of the Province of Treviso in Acantho S.p.A.

On 24 February 2025, following the results of the public auction for the sale of the entire shareholding of the Province of Treviso held in Acantho S.p.A., Ascopiave S.p.A. was provisionally awarded the bid at a total price of Euro 3.4 million.

Group policies and goals

As regards the natural gas distribution segment, the Group intends to enhance its portfolio of concessions by aiming to reconfirm itself in the management of the service in the minimum territorial areas in which it boasts a significant presence, and to expand into other areas, with the goal of increasing its market share and strengthening its leadership in the sector. This growth objective may be realised through M&A transactions or the awarding of tenders to entrust the service. The Group also intends to enhance its investment in renewable sources by increasing its electricity generation capacity through the construction of new plants, in line with what is represented in the 2025-2028 strategic plan approved on 13 February 2025.
With regard to the natural gas and electricity sales segment, Ascopiave, at the end of 2019, entered into a partnership with the Hera Group, through the common investment in Estenergy. This company, which has over one million customers, is a primary reality with a strong territorial presence in the Triveneto region. At the end of December 2024, Ascopiave formalised the exercise of the put option on the entire stake held in the company, also with the aim of using the related proceeds to finance new investment opportunities, including the acquisition of gas distribution activities from the A2A Group.

Pieve di Soligo, 6 March 2025

The Chairman of the Board of Directors
Nicola Cecconato

Ascopiave S.p.A.

ANNUAL FINANCIAL REPORT

as at 31 December 2024

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Foreword

Pursuant to the provisions of Legislative Decree No. 32 dated 2 February 2007, which implemented EU Directive 2003/51/EC in our legal system, the Company avails itself of the possibility of drawing up the Management Report of the Parent Company Ascopiave S.p.A. and the Consolidated Management Report in a single document, included in the Consolidated Financial Statements.
Therefore, the Consolidated Management Report also contains all the information required by Article 2428 of the Italian Civil Code, with reference to the financial statements of Ascopiave S.p.A.

Operations performed by the Company

The company only performs a single type of operations, namely the management of investments and the related provision of services.

ASCOPIAVE S.p.A.

Statement of Financial Position

(Thousands of Euro)		31.12.2024	31.12.2023
Assets			
Non-current assets			
Intangible assets	(1)	2,294	3,640
Property, plant and equipment	(2)	27,032,433	23,067,558
Investments in subsidiaries and associates	(3)	741,047,583	936,710,291
Investments in other companies	(3)	97,255,128	97,255,128
Other non-current assets	(4)	2,039,928	19,150
Non current financial assets	(5)	1,781,424	2,149,323
Deferred tax assets	(6)	691,115	1,169,519
Non-current assets		**869,849,905**	**1,060,374,609**
Current assets			
Trade receivables	(7)	4,367,831	5,208,295
Other current assets	(8)	10,696,722	8,593,456
Current financial assets	(9)	146,841,307	162,732,067
Current tax assets	(10)	43,647	2,606,258
Cash and cash equivalents	(11)	31,338,259	43,032,705
Current assets from derivative financial instruments	(12)	1,582,410	4,689,110
Current assets held for sale	(13)	223,152,434	
Current assets		**418,022,611**	**226,861,891**
Assets		**1,287,872,516**	**1,287,236,500**
Net equity and liabilities			
Total Net equity			
Share capital		234,411,575	234,411,575
Treasury shares		(55,987,146)	(55,423,270)
Reserves		628,470,809	623,677,859
Net Result		28,402,937	35,778,670
Total Net equity	(14)	**835,298,175**	**838,444,834**
Non-current liabilities			
Provisions	(15)	429,423	871,337
Employee benefits	(16)	351,874	214,675
Long term outstanding bonds	(17)	78,805,068	86,346,777
Non-current bank loans	(18)	208,851,587	174,329,255
Other non-current liabilities	(19)	15,690	10,690
Non-current financial liabilities	(20)	52,845	71,438
Deferred tax liabilities	(21)	167,407	471,049
Non-current liabilities		**288,673,894**	**262,315,222**
Current liabilities			
Payables due to banks and financing institutions	(22)	100,576,270	137,165,022
Short term outstanding bonds	(23)	7,606,086	7,708,060
Trade payables	(24)	3,476,152	3,265,878
Current tax liabilities	(25)	3,986,618	
Other current liabilities	(26)	10,896,012	9,831,477
Current financial liabilities	(27)	36,450,815	25,759,209
Current liabilities from derivative financial instruments	(28)	908,494	2,746,799
Current liabilities		**163,900,446**	**186,476,444**
Liabilities		**452,574,340**	**448,791,666**
Net equity and liabilities		**1,287,872,516**	**1,287,236,500**

Pursuant to Consob Resolution No. 15519 dated 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section “Financial Statements presented pursuant to Consob Resolution 15519/2006” of this Annual Financial Report.

Statements of Profit or Loss and Other Comprehensive Income

(Euro)		Full year 2024	Full year 2023
Revenues	(29)	**51,093,850**	**54,045,858**
Other revenues		8,487,746	9,717,318
Distribution of dividends from controlled companies		42,606,104	44,328,540
Total operating income and costs		**15,968,893**	**12,242,635**
Costs for services	(30)	8,069,261	7,648,790
Personnel expenses	(31)	7,439,586	7,455,702
Other management costs	(32)	586,914	754,423
Other income	(33)	126,867	3,616,280
Amortization and depreciation	(34)	**1,554,891**	**1,540,179**
Operating result		**33,570,066**	**40,263,044**
Financial income	(35)	5,722,671	4,415,530
Financial expense	(35)	14,392,478	13,424,307
Earnings before tax		**24,900,259**	**31,254,267**
Income taxes	(36)	3,502,678	4,524,403
Net result for the year		**28,402,937**	**35,778,670**
Consolidated statement of comprehensive income			
1. Components that can be reclassified to the profit / (loss) of the year			
- Effective portion of the change in fair value of cash flow hedging instruments, net of tax effects		(768,417)	(3,964,016)
2. Components that can not be reclassified to the profit / (loss) of the year			
- Actuarial (losses)/gains from remeasurement on defined-benefit obligations net of tax		14,572	2,614
- Fair value valuation of investment in other companies			(3,300,000)
Total comprehensive income		**27,649,091**	**28,517,268**

Pursuant to Consob Resolution No. 15519 dated 27 July 2006, the effects of transactions with related parties and the effects of non-recurring income and expenses are shown in the special schedule in the section 'Financial Statements presented pursuant to Consob Resolution 15519/2006' of this Annual Financial Report.

Statements of Changes in Equity

	Share capital	Legal reserve	Treasury shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the year	Total net equity
Balance as of 1st January 2024	**234,411,575**	**46,882,315**	**(55,423,270)**	**576,809,946**	**(14,402)**	**35,778,670**	**838,444,834**
Result for the year						28,402,937	28,402,937
Fair value of derivatives				(768,417)			(768,417)
IAS 19 actuarial gain (losses)					14,572		14,572
Total result of overall income statement				**(768,417)**	**14,572**	**28,402,937**	**27,649,091**
Allocation of 2023 result				35,778,670		(35,778,670)	(0)
Dividends distributed				(30,339,400)			(30,339,400)
Long-term incentive plans			291,406	(189,568)			101,838
Purchase of treasury shares			(855,282)				(855,282)
Change in equity investments in subsidiaries companies				297,093			297,093
Balance as of 31th december 2024	**234,411,575**	**46,882,315**	**(55,987,146)**	**581,588,324**	**170**	**28,402,937**	**835,298,175**

	Share capital	Legal reserve	Treasury shares	Other reserves	Reserves IAS 19 actuarial differences	Net result for the year	Total net equity
Balance as of 1st January 2023	**234,411,575**	**46,882,315**	**(55,423,270)**	**570,413,584**	**(17,016)**	**41,793,226**	**838,060,414**
Result for the year						35,778,670	35,778,670
Fair value of derivatives				(3,964,016)			(3,964,016)
IAS 19 actuarial gain (losses)					2,614		2,614
Fair value of investments in other companies				(3,300,000)			(3,300,000)
Total result of overall income statement				**(7,264,016)**	**2,614**	**35,778,670**	**28,517,268**
Allocation of 2022 result				41,793,226		(41,793,226)	(0)
Dividends distributed				(28,172,300)			(28,172,300)
Long-term incentive plans				39,452			39,452
Balance as of 31th december 2023	**234,411,575**	**46,882,315**	**(55,423,270)**	**576,809,946**	**(14,402)**	**35,778,670**	**838,444,834**

Cash flow statement

	Full Year	
(Thousands of Euro)	2024	2023
Cash flows generated (used) by operating activities		
Net income	**28,402,937**	**35,778,670**
Adjustments to reconcile net income to net cash generated (used) by operating activities:		
Income taxes	(3,502,678)	(4,524,403)
Net Financial expense/income	8,662,483	9,008,777
Equity-Settled Share-Based Payment Transactions	80,870	0
Depreciation and amortization	1,461,784	1,540,179
Capital (gains) / losses on sharehodings disposal	0	(3,608,694)
Change in employee benefits	151,770	8,133
Net change in other funds and other non monetary items	(441,914)	(3,300,000)
Dividends from equity investments	(42,606,104)	(44,328,540)
Variations in assets and liabilities:		
Trade receivables	840,464	8,519,318
Other current assets	(309,073)	958,690
Other non-current assets	(1,518,099)	22,116
Trade payables	210,274	117,308
Other current liabilities	9,711,838	4,880,709
Other non-current liabilities	(8,142,445)	433,554
Taxes paid	(2,761,155)	(452,570)
Interests (paid)/received	(6,949,525)	(6,467,385)
Cash flows generated (used) by operating activities	**(16,708,570)**	**(1,414,319)**
Cash flows generated (used) by investments:		
Investments in property, plant and equipment	(796,111)	(388,219)
Purchase of financial assets	(32,000,000)	99,023,431
Dividends received	42,606,104	44,328,540
Cash flows generated/(used) by investments	**9,809,993**	**142,963,753**
Cash flows generated (used) by financial activities:		
Increase / (decrease) on credit lines	41,148,585	(7,331,227)
(Repayment) / New lease liabilities	(43,346)	106,000
New loans and borrowings	324,000,000	660,000,000
Repayment of loans and borrowings	(338,914,676)	(794,000,000)
Purchase of treasury shares	(647,031)	0
Dividends paid	(30,339,400)	(28,172,300)
Cash flows generated (used) by financial activities	**(4,795,868)**	**(169,397,527)**
Net change in cash and cash equivalent	**(11,694,445)**	**(27,847,913)**
Cash and cash equivalents at the beginning of the year	**43,032,705**	**70,880,619**
Net change in cash and cash equivalent	(11,694,446)	(27,847,914)
Cash and cash equivalents at the end of the year	**31,338,259**	**43,032,705**

Pursuant to Consob Resolution No. 15519 dated 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Financial Statements presented pursuant to Consob Resolution 15519/2006' of this Annual Financial Report.

IAS/IFRS ACCOUNTING PRINCIPLES ADOPTED IN THE PREPARATION OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Drafting criteria and expression of conformity with IFRS

The Financial Statements of Ascopiave S.p.A. as of 31 December 2024 are drawn up in compliance with the International Financial Reporting Standards ("IFRS"), as endorsed by the European Union pursuant to the procedure set forth in Regulation (EC) No. 1606/2002 of the European Parliament and the European Council of 19 July 2002, as well as with the provisions issued in implementation of Article 9 of Legislative Decree No. 38/2005.
The financial statements are prepared on a going concern basis and in Euro, the Company's functional currency.
All values shown in the tables and in the notes are in thousands of Euro, unless otherwise indicated.
These Financial Statements as at 31 December 2024 were approved by the Board of Directors of the Company on 6 March 2025.
The statutory audit of the financial statements is entrusted to KPMG S.p.A., the company responsible for the statutory audit of the main Group companies.

Financial Statements

With regard to the manner in which the financial statements are presented, it should be noted that in the statement of financial position, assets and liabilities are presented using the "current/non-current" distinction criterion, in the statement of comprehensive income, costs are presented by nature, and in the cash flow statement, cash flows from operating activities are determined using the 'indirect' method, adjusting the profit for the year for non-monetary items. The statement of changes in equity items adopted presents the opening and closing balances of each equity item by reconciling them through profit or loss for the year, any transactions with shareholders and other changes in equity.

Significant accounting policies

Accounting standards published by the IASB and endorsed by the EU that are mandatorily applicable as of financial statements for accounting periods beginning on 1 January 2024

The accounting standards described below have been applied consistently for all accounting periods included in these financial statements. In this regard, it should be noted that the entry into force as of 1 January 2024 of the following accounting standards and amendments had no significant effect on these financial statements:

Document title	Date of issue	Effective date	Date of approval	EU Regulation and date of publication
Lease Liabilities in a Sale and leaseback transaction (Amendments to IFRS 16)	September 2022	1 January 2024	20 November 2023	(EU) 2023/2579 21 November 2023
Classification of liabilities as current or non-current (Amendments to IAS 1) and non-current liabilities with clauses (Amendments to IAS 1)	January 2020 October 2022[1]	1 January 2024	19 December 2023	(EU) 2023/2822 20 December 2023
Financing Arrangements for Supplies (Amendments to IAS 7 and IFRS 7)	May 2023	1 January 2024	15 May 2024	(EU) 2024/1317 16 May 2024

[1] It should be noted that on 15 July 2020, the IASB Board published a further document to defer the effective date of the first amendment (published on 23 January 2020) from 1 January 2023 to 1 January 2024. This amendment was then confirmed with the second amendment published on 31 October 2022 and is therefore not shown separately in the table.

New accounting standards published by the IASB applicable to financial statements for accounting periods subsequent to 1 January 2024

Below are the new accounting standards applicable for accounting periods beginning after 1 January 2024, the early application of which is permitted. However, the Company has decided not to adopt them early for the preparation of these financial statements.

Documents approved by the EU as at 31 December 2024

Document title	Date of issue	Effective date	Date of approval	EU Regulation and date of publication
Exchange rate impossibility (Amendments to IAS 21)	August 2023	1 January 2025	12 November 2024	(EU) 2024/2862 13 November 2024

New accounting standards not endorsed by the European Union and not applicable in advance to financial statements for accounting periods beginning after 1 January 2024

Document title	Date of issue by the IASB	Effective date of the IASB document	Date of expected type approval by the EU
Standards			
IFRS 14 Regulatory deferral accounts	January 2014	1 January 2016	Endorsement process suspended pending the new accounting standard on rate-regulated operations.
IFRS 18 Presentation and Disclosures in Financial Statements	April 2024	1 January 2027	TBD
IFRS 19 Controlled Entities without Public Accountability: Disclosures	May 2024	1 January 2027	TBD
Amendments			
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until the completion of the IASB project on the equity method	Endorsement process suspended pending the conclusion of the IASB project on the equity method
Changes to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	May 2024	1 January 2026	TBD
Annual improvements - Volume 11 (Amendments to IAS 7 and IFRS 1, 7, 9, 10)	July 2024	1 January 2026	TBD
Contracts referencing nature-dependent electricity (Amendments to IFRS 9 and IFRS 7)	December 2024	1 January 2026	TBD

Use of estimates

The preparation of financial statements requires the directors to make accounting estimates based on complex and/or subjective judgments, past experience and assumptions that are believed to be reasonable and realistic on the basis of information known at the time of the estimate. The use of these estimates has an effect on the values of assets and liabilities in the financial statements, as well as on the amount of revenues and expenses and disclosure of contingent assets and liabilities in the reporting period. If in the future these estimates and assumptions, which are based on management's best judgment, should differ from the actual circumstances, they will be modified as appropriate in the period in which the circumstances arise.

Estimates are used to detect:

- impairment of non-financial assets: the Company verifies, at each balance sheet date, whether there are any indicators of impairment for all non-financial assets. In particular, goodwill is tested for impairment at least annually and during the year if such indicators exist; this test requires an estimate of the value in use of the cash-

generating unit to which the goodwill is attributed, which in turn is based on an estimate of the cash flows expected from the unit and their discounting using an appropriate discount rate.
- provisions for bad debts, inventory obsolescence, the useful lives of intangible and tangible assets and their depreciation.
- employee benefits and share-based payment plans (so-called phantom stock options).
- taxes and provisions for risks and charges.

Estimates and assumptions are reviewed at regular intervals and the effects of any changes are reflected immediately in the Income Statement. In applying the accounting policies, the Directors have made decisions based on the aforementioned discretional assessments that have a significant effect on the values recorded in the financial statements. However, uncertainty about these assumptions and estimates could lead to outcomes that will require significant adjustment to the carrying value of these assets and/or liabilities in the future.

Impairment
The company performs an impairment test on investments in subsidiaries and associates at least once a year. This test requires an estimate of the value in use of the investment based on the expected cash flows of the investment discounted at an appropriate discount rate.
More information can be found in the commentary notes.

Employee benefits - Severance pay
The provision for severance pay is determined using actuarial valuations. The actuarial valuation requires the of assumptions about discount rates, future wage increases, turnover and mortality rates. Due to the nature of long term of these plans, these estimates are subject to a significant degree of uncertainty.

Rights of Use and Lease Liabilities
The determination of usage rights and *lease* liabilities under IFRS 16 introduces some elements of judgement that involve the definition of certain accounting policies and the use of assumptions and estimates mainly in relation to the definition of the *lease term* and the definition of the *incremental borrowing rate*.

Other estimation processes
Estimates are also used to record provisions for credit risks, provisions for risks and charges, and write-downs of assets, fair value of derivative financial instruments, and valuation of intangible assets in business combinations accounted for under IFRS 3.
Estimates and assumptions are reviewed at regular intervals and the effects of any changes are reflected immediately in the accounts economic.

Evaluation Criteria

We set out below the accounting principles adopted by Ascopiave S.p.A.:

Intangible Assets
Intangible assets are identifiable assets without physical substance, controlled by the enterprise and capable of producing future economic benefits, including goodwill arising from business combinations. The requirement of identifiability is usually satisfied when the intangible asset is:
- ✓ attributable to a legal or contractual right or
- ✓ separable, i.e. it can be sold, transferred, leased or exchanged independently or as an integral part of other assets.

Control by the enterprise consists of the ability to enjoy the future economic benefits of the activity and the ability to restrict access to them by others.
Intangible assets are initially recorded at cost.
Intangible assets mainly include assets related to service concession arrangements between the public and private sectors relating to the development, financing, operation and maintenance of infrastructure under concession where:

(i) the grantor controls or regulates the services provided by the operator through the infrastructure and the price to be charged for them;
(ii) the grantor controls - through ownership, beneficial ownership or otherwise - any significant residual interest in the infrastructure at the end of the concession.

Such operations were regulated by the IASB in 2006 through the approval of the interpretative document IFRIC 12 'Service Concession Arrangements', concerning the accounting treatment of service concessions. This document regulates the way in which concession contracts between a public entity and a private company are recognised and measured, with particular emphasis on the way in which infrastructure development, operation and maintenance activities are accounted for.

In return for the services rendered by the concessionaire, the grantor pays the concessionaire a consideration, to be recognised at its fair value, which may consist of rights over:

- an intangible asset (so-called intangible asset model).
- a financial activity (so-called financial activity model).

The intangible asset model applies when the concessionaire, in return for the services of developing, maintaining and operating the infrastructure, acquires the right to charge users for its use. Therefore, the concessionaire's cash flows are not guaranteed by the grantor but are related to the actual use of the infrastructure by users, thus entailing a demand risk borne by the concessionaire.

The financial business model, on the other hand, the right is unconditional and contractually guaranteed for concessionary services.

The Company, after careful analysis of existing concessions, opted to apply the intangible asset model.

As regards the amortisation period, concessions for the natural gas distribution service are amortised on a straight-line basis over the duration of the concession period or over their estimated useful life. In particular, the amortisation period of the concessions acquired by the Ascopiave Group is twelve years pursuant to the reference regulatory framework.

After initial recognition, intangible assets, having a finite useful life, are recognised net of accumulated amortisation and any impairment losses, determined in the same manner as subsequently indicated for tangible assets. The useful life is reviewed annually and any changes, if necessary, are made prospectively. Gains or losses arising from the disposal of an intangible asset are determined as the difference between the disposal value and the carrying amount of the asset and are recognised in profit or loss at the time of disposal.

Duration and residual value of assets under concession

The activity of natural gas distribution is performed under concession, through the entrusting of the service by local public entities. With regard to the duration of concessions, Legislative Decree No. 164/00 (Letta Decree) established that all concessions must be put out to tender by the end of the so-called "transitional period" (for the Ascopiave Group, no later than 31 December 2012, or in subsequent years if the originally scheduled expiry date is extended) and that the new duration of concessions may not exceed twelve years. Upon the expiry of the concessions, the outgoing operator, in exchange for the transfer of its distribution networks, excluding freely transferable assets, shall be paid an indemnity defined on the basis of industrial appraisal criteria.

Based on the estimates made by the directors when determining the depreciation criterion, the net book value of the assets at the end of the concession should not exceed the aforementioned industrial value.

Property, Plant and Equipment: Property, plant and equipment are recognised at purchase cost including directly attributable incidental costs necessary to bring the asset into use for the purpose for which it was acquired.

Land, both undeveloped and attached to civil and industrial buildings, has been accounted for separately and is not depreciated as it has an unlimited useful life.

Maintenance and repair costs that are not likely to enhance and/or extend the remaining life of assets are expensed in the year in which they are incurred, otherwise they are capitalised.

Property, plant and equipment are stated net of accumulated depreciation and any impairment losses determined as described below. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, which is reviewed annually and any changes, if necessary, are made prospectively.

The main economic-technical rates used are as follows:

Buildings	2%
Equipment	8.3% - 8.5%
Furniture	8.80%
Electronic equipment	16.20%
Basic hardware and software	20%
Motocars, motor vehicles and similar	20%

The carrying amount of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, and if the carrying amount exceeds the recoverable amount, the assets are written down to reflect their realisable value. The recoverable amount of tangible assets is the higher of fair value less costs to sell and value in use.
Impairment losses are recognised in the income statement under impairment losses. These impairment losses are reversed if the reasons for which they were incurred no longer apply.
When an asset is sold or when there are no expected future economic benefits from its use, it is derecognised and any loss or gain (calculated as the difference between the disposal value and the carrying amount) is recognised in the income statement in the year of such derecognition.

Leases: IFRS 16 'Leases' defines a single model for recognising leases, eliminating the distinction between operating and finance leases, and providing for the recognition of an asset for the right to use the asset and a liability for the lease. A contract is, or contains, a lease if, in return for consideration, it grants the right to control the use of a specified asset for a period of time. Leasehold right-of-use assets are initially measured at cost, and subsequently amortised over the lease term defined in the analysis, taking into account any reasonably exercisable options to extend or terminate the lease. The cost of right-of-use assets includes the initially recognised value of the lease liability, the initial direct costs incurred, an estimate of any restoration costs to be incurred at the end of the lease term, and lease-related prepayments made at the date of initial transition net of lease incentives received. The related lease liabilities are initially measured at the present value of the payments due for fixed lease payments at the lease inception date and for the exercise price of the purchase option and the redemption option if reasonably exercisable, discounted using the interest rate implicit in the lease, if determinable, or the marginal borrowing rate at the inception date. Liabilities for leased assets are subsequently measured at amortised cost, i.e. increased by the interest accruing on those liabilities and decreased in correlation with lease payments. Liabilities for leased assets are in all cases restated for changes in lease payments by adjusting the right-of-use asset by the same amount. However, if the carrying amount of the right-of-use asset is zero and there is a further reduction in the measurement of the lease liability, that difference is recognised in profit or loss.
In the case of modifications to a lease, such modifications are accounted for as a separate lease when rights of use are added to one or more underlying assets and the lease payment increases by an amount that reflects the stand-alone price for the increase in the lease object. In respect of modifications that are not accounted for as a separate lease, the lease liability is restated by discounting the revised lease payments due using a discount rate estimated at the date of the lease modification, based on the new lease term. These adjustments to the liability are accounted for by making a corresponding change to the asset consisting of the right of use, recognising in profit or loss any gain or loss related to the partial or total lease termination.
No right-of-use assets are recognised in relation to: i) short-term leases; ii) leases where the underlying asset is of low value. Payments due under such leases are recognised as operating expenses on a straight-line basis.
In the income statement, depreciation of the right-of-use asset is recognised as an operating expense and, in the finance section, interest expense accrued on the lease liability, if not capitalised. The income statement also includes: (i) lease payments relating to short-term, low-value leases, as permitted on a simplified basis by IFRS 16; and (ii) variable lease payments, which are not included in the determination of the lease liability (e.g. payments based on the use of the leased asset).

Equity investments: equity investments recorded under this heading refer to investments of a long-term nature, which are classified in the following categories:
- shareholdings in subsidiaries
- shareholdings in jointly controlled companies
- shareholdings in associated companies
- other investments

Investments in subsidiaries, investments in joint ventures and investments in associates:
Comparison of the carrying value of investments in subsidiaries, joint ventures and associates with the Company's share may reveal situations in which the value recorded in the financial statements may differ from the value of the total shareholders' equity of the investees at the balance sheet date.
For the purpose of the annual impairment test of the carrying values of investments in subsidiaries, joint ventures and associates, the Directors determine the value in use for each.
The value in use is calculated using the cash flow projection contained in the business plans of the individual subsidiaries that were approved by the Board of Directors. Following the results of the impairment test on the individual investments, any value adjustments are then recognised.
The main parameters adopted in the valuation of value in use, both in terms of growth rates for periods beyond the explicit periods of the plans and in terms of the discount rate, are consistent with those examined in the impairment tests of goodwill allocated to CGUs in the consolidated financial statements, to which reference should be made for further details.

Other investments: financial assets consisting of investments in companies other than associates and joint ventures (generally with an ownership percentage of less than 20%) are referred to as investments in other companies and fall under the category of financial assets measured at fair value, which normally corresponds to the transaction price upon initial recognition. Subsequent changes in fair value are recognised in profit/(loss) for the year (FVPL) or in other comprehensive income (FVOCI) in the "FVOCI instrument reserve". For investments measured at FVOCI, impairment losses are never recognised in profit/(loss) for the year, nor are accumulated gains or losses when the investment is sold; only dividends distributed by the investee are recognised in Profit/(loss) for the year when:
- ✓ the Group's right to receive payment of the dividend arises;
- ✓ it is likely that the economic benefits of the dividend will flow to the Company;
- ✓ the amount of the dividend can be reliably estimated.

It should be noted that the Group has opted to account for other companies in FVOCI.

Financial Assets and Liabilities
<u>Initial detection</u>
Trade receivables and debt securities issued are recognised at the time they are originated. All other financial assets and liabilities are recognised at fair value, except for trade receivables that do not contain a significant financing component, and are subsequently measured at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue of the financial asset. Upon initial recognition, trade receivables that do not have a significant financing component are measured at the transaction price. Financial assets and financial liabilities may be offset and the amount resulting from the offsetting is presented in the statement of financial position if, and only if, the Company currently has the legal right to offset these amounts and intends to settle the balance on a net basis or realise the asset and settle the liability simultaneously.

Financial Assets: are classified according to the categories identified by IFRS 9:
- financial assets measured at amortised cost;
- assets at fair value through other comprehensive income (FVOCI);
- assets at fair value through profit or loss for the year (FVTPL).

Financial assets measured at amortised cost: Financial assets are classified in this category if the following requirements are met: (i) the asset is held as part of a business model whose objective is to hold the asset for the purpose of collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows represented solely by payments of principal and interest on the principal amount to be repaid. These mainly refer to receivables due from customers and/or loans that contain a significant financial component. Trade receivables that do not contain a significant financial component are instead recognised at the price defined for the relevant transaction. Subsequent measurements of assets in this category are measured at amortised cost, using the effective interest rate. Any provisions for impairment of these receivables are determined using the forward looking approach by means of a three-stage model: 1) recognition of expected losses in the first 12 months at initial recognition of the receivable if the credit risk has not increased; 2) recognition of expected losses over the life of the receivable if the credit-related risk increases significantly with respect to initial recognition; interest is recognised on a gross basis; 3) recognition of further expected losses over the life of the receivable when the manifested loss materialises; interest is recognised on a net basis.

Financial assets at fair value through profit or loss (FVOCI): financial assets are classified in this category if they have the following characteristics: (i) the asset is held as part of a business model whose objective is achieved either by selling the asset or by collecting contractual cash flows; and (ii) the contractual terms of the asset provide for cash flows represented solely by principal and interest payments on the principal amount to be repaid. Any write-downs for impairment, interest income are recognised in Profit or Loss for the period.

Financial assets measured at fair value through profit or loss (FVTPL): all financial assets that do not meet the conditions, in terms of business model or characteristics of the cash flows generated, for measurement at amortised cost or fair value through profit or loss are classified in this category. Assets in this category are classified as current or non-current assets depending on their natural maturity and recognised at fair value upon initial recognition. On subsequent measurement, gains and losses arising from changes in fair value are recognised in profit or loss in the period in which they are recognised.

Value adjustments: the evaluation of impairment losses on financial assets measured at amortised cost is performed using a model based on expected credit losses. The Company chose to perform a credit risk assessment whereby receivables past due by more than 365 days were totally written down and those past due by more than 180 days were partially written down. The predictive process is supported by the monthly utilisation of the allowance for doubtful accounts set aside on the basis of the execution of reminder and recovery cycles for defaulted receivables. Historical time series for past years have shown that the write-down made in predictive terms is a reasonable approximation in excess of the Company's actual losses to end customers.

Subsequent valuation of financial liabilities

Financial liabilities other than derivative financial instruments, which include medium/long-term loans and bonds issued, are subsequently measured at amortised cost, calculated by applying the effective interest rate, net of principal repayments already made.

Liabilities are classified as current if, at the balance sheet date, the entity has a right to defer its settlement for at least twelve months after that date.

If the right to defer the settlement of a liability arising from a loan agreement for at least 12 months after the end of the reporting period is subject to the fulfilment of specific covenants, the liability is classified as non-current if all covenants contractually agreed upon up to the end of the reporting period have been fulfilled, even if they are calculated in the first few months of the following reporting period.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognised when:

- ✓ the rights to receive cash flows from the asset are extinguished;
- ✓ the Company retains the right to receive cash flows from the business, but has assumed a contractual obligation to pay them in full and without delay to a third party;

- ✓ the Company has transferred the right to receive cash flows from the asset and either (a) has transferred substantially all risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of it.

In cases where the Company has transferred rights to receive cash flows from an asset and has neither transferred nor retained substantially all risks and rewards or has not lost control over the asset, the asset is recognised in the Company's financial statements to the extent of its continuing involvement in the asset. The residual involvement that takes the form of a guarantee on the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.
In cases where the residual involvement takes the form of an option written and/or purchased on the transferred asset (including cash-settled or similar options), the extent of the Company's involvement corresponds to the amount of the transferred asset that the Company may repurchase; however, in the case of a put option written on an asset measured at fair value (including cash-settled or similar options), the extent of the Company's residual involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities
A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled or fulfilled.
In cases where an existing financial liability is exchanged for another from the same lender, under substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with any differences between the carrying amounts recognised in profit or loss.

Non-current assets held for sale: non-current assets held for sale for which at the balance sheet date it is highly probable that their value will be recovered principally through sale rather than through continued use are presented separately from other assets in the statement of financial position.
Immediately prior to being classified as held for sale, each asset is recognised pursuant to the relevant IFRS and subsequently carried at the lower of carrying value and fair value, less costs to sell. Any impairment losses are recognised immediately in profit or loss.

Derivative financial instruments: A derivative contract is a financial instrument: (i) the value of which changes according to changes in a specified interest rate, security or commodity price, foreign currency exchange rate, index of prices or rates, credit rating or other variable; (ii) that requires no or limited initial net investment; (iii) that is settled at a future date.
The Company holds derivative instruments for the purpose of hedging its exposure to the risk of changes in interest rates. These derivatives are measured at their fair value at each balance sheet date. The fair value of these contracts is measured using pricing models and based on observable market data as of 31 December 2024. In addition, the fair value of derivative financial instruments is determined by considering the credit risk of the counterparty of a financial asset (the 'Credit Valuation Adjustment' or CVA) and the risk of default of a financial liability by the entity itself (the 'Debit Valuation Adjustment' or DVA).
Derivatives traded by companies are considered as cash flow hedges of highly probable forecast transactions whenever the conditions for hedge accounting are met. The hedged item is identified in the interest expense. When derivatives hedge the risk of changes in the cash flows of the hedged instruments (cash flow hedge; e.g., hedging the variability of the cash flows of assets/liabilities due to interest rate fluctuations), changes in the fair value of derivatives deemed effective, limited to the spot component of the contracts, are initially recognised in the equity reserve pertaining to the other components of the statement of comprehensive income and subsequently recognised in the income statement consistently with the economic effects produced by the hedged transaction).
Conversely, transactions that, although entered into with the management intent of hedging, do not meet the requirements of international accounting standards for the application of hedge accounting are classified as 'trading' instruments. In this case, changes in the fair value of derivative instruments are recognised in profit/(loss) for the period in which they arise.

Within the defined risk management strategy and objectives, the qualification of transactions as hedges requires: (i) verifying the existence of an economic relationship between the hedged item and the hedging instrument; (ii) verifying that the effect of credit risk does not outweigh the changes in value resulting from the economic relationship; (iii) defining a hedge ratio consistent with the risk management objectives, within the defined risk management strategy, taking appropriate rebalancing actions where necessary.
Derivatives embedded in financial assets/liabilities are separated and measured independently at fair value, except in cases where the derivative's strike price at the date of inception approximates the value determined on the basis of the amortised cost of the relevant asset/liability. In this case, the valuation of the embedded derivative is absorbed in that of the financial asset/liability.

Fair Value Hierarchy
Financial assets and liabilities measured at fair value are classified into a three-tier hierarchy based on how fair value is determined, i.e. on the relevance of the information (inputs) used in determining value:

(i) Level 1, financial instruments whose fair value is determined on the basis of a quoted price in an active market;
(ii) level 2, financial instruments whose fair value is determined by means of valuation techniques that use parameters observable directly or indirectly on the market. Instruments valued on basis of market *forward* curves and short-term contracts for differences are classified in this category;
(iii) Level 3, financial instruments whose fair value is determined using valuation techniques that make reference to parameters that cannot be observed in the market, or using only internal estimates.

As of 31 December 2024, the Company held one type of derivative financial instrument on interest rates, traceable to the level 2 hierarchy, and a second type traceable to the level 3 hierarchy on the fair value valuation of investments in other companies Acinque S.p.A., Acantho S.p.A. and Hera Comm S.p.A..

Treasury shares: Repurchased treasury shares are deducted from equity. The original cost of treasury shares, the benefits from the disposals and any subsequent changes are recognised as changes in equity.

Short-term employee benefits: short-term employee benefits, which include wages and salaries, additional 13th and 14th month payments, unused holiday time, bonuses and short-term incentive plans, are recognised as an expense when the service giving rise to such benefits is rendered.

Post-employment benefits: guaranteed employee benefits paid at or after termination of employment through defined benefit plans are recognised over the vesting period. The liability relating to defined benefit plans, net of any plan assets, is determined on the basis of actuarial assumptions and is recognised on an accrual basis consistently with the period of service required to obtain the benefits.
Defined benefit plans also include the employee severance indemnity (TFR) due to employees of the Company's companies, pursuant to Article 2120 of the Italian Civil Code, accrued prior to the 2007 reform of this institution (Finance Act No. 296 dated 27 December 2006), following which, for companies with more than 50 employees, for the amounts accrued as of 1 January 2007, the TFR is configured as a defined contribution plan. For severance indemnities accrued after 1 January 2007, the company's obligation is limited to the payment to the State (known as the INPS Fund) or to a legally distinct asset or entity (known as the Fund) and is determined on the basis of the contributions due.
The Company's obligations are determined separately for each plan by estimating the present value of future benefits that employees have accrued in the current and prior years. This calculation is made using the projected unit credit method. The components of defined benefits are recognised as follows:
(i) remeasurement components of liabilities, which include actuarial gains and losses, are recognised immediately in 'other comprehensive income';
(ii) service costs are recognised in the profit/(loss) for the year within personnel costs;
(iii) Net financial expenses on defined benefit liabilities are recognised in profit/(loss) for the year within financial expenses.

The remeasurement components recognised in other comprehensive income are never reclassified to profit/(loss) in subsequent periods.

Other long-term benefits*:* long-term employee benefits are represented by long-term monetary incentive plans (LTI-GI). The three-year plan provides for the payment of monetary incentives commensurate with the achievement of certain Company objectives. The Company's obligation for these employee benefits corresponds to the amount of the future benefit that employees have accrued for their services in the current and previous years. This benefit is determined on the basis of an actuarial calculation and re-measurements over the vesting period are recognised in profit (loss) for the year under personnel expenses.

Employee Benefits - Severance Pay: The provision for severance pay is determined using actuarial valuations. The actuarial valuation requires the of assumptions about discount rates, future wage increases, turnover and mortality rates. Due to the nature of long term of these plans, these estimates are subject to a significant degree of uncertainty.

Provisions: provisions relate to costs and charges of a definite nature and of certain or probable existence, the amount or date of occurrence of which could not be determined at the end of the reporting period.
Provisions are recognised when:
- there is a present obligation, legal or implied, arising from a past event;
- the performance of the obligation is likely to involve the use of economic resources;
- the amount of the obligation can be reliably estimated.

On the other hand, if it is not possible to make a reliable estimate of the obligation or if it is considered that the outflow of financial resources is merely possible and not probable, the related contingent liability is not recognised in the financial statements, but adequate disclosure is made in the notes.
Provisions are recognised at the value representing the best estimate of the amount the company would pay to settle the obligation or to transfer it to a third party at the end of the reporting period. If the effect of discounting is significant, provisions are determined by discounting the expected future cash flows. When discounting is performed, the increase in the provision due to the passage of time is recognised as a finance cost.

Share-based payments
Cash-settled share-based payment transactions
The Company has subscribed to remuneration plans based in part on Ascopiave S.p.A. shares liquidated through the delivery of shares (stock option plans long-term incentive plans) recognised as liabilities and measured at fair value at the end of each accounting period and until liquidation. Any subsequent change in fair value is recognised in the income statement.
The remainder of the plan is instead settled in the form of cash-settled options only. The cost of cash-settled transactions is initially measured at the grant date. In particular, the plans adopted by the Group provide for the assignment of rights that entail the recognition in favour of the beneficiaries of a payment of an extraordinary nature linked to the achievement of pre-set objectives, and whose financial settlement is based, among other indicators, on the performance of the share price. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is recalculated at each balance sheet date up to and including the settlement date, with all changes in fair value recognised in profit/(loss) for the period within personnel expenses.
During the financial year 2024, part of the remuneration plans for the three-year period 2024 - 2026 vested, which resulted in the allocation of reserves for the portions to be settled in shares. Considering the rules of the plan, there were no further allocations during the period as the benefits will vest at the end of the period.
For more details on remuneration paid during the year, please refer to "Section II" of the Remuneration Report, prepared pursuant to Article 123 - ter of Legislative Decree No. 58/1998 (TUF).

Share-based payment transactions settled in shares
The Company has granted incentive plans based on equity instruments, on the basis of which the Company receives services from its employees, collaborators or proxy directors in exchange for stock grants ('units'). The fair value of the

services received is recognised in personnel expenses. The total amount of the cost is determined based on the fair value of the units at the grant date and is offset by an equity reserve.
The total cost is recognised over the vesting period, which is the period in which all the service conditions for the vesting of the rights must be satisfied. At each balance sheet date, the Company revises the estimates based on the number of options expected to vest based on the vesting conditions, which are not market conditions. The effect of any changes from the original estimates is recognised in profit/(loss) for the year in personnel expenses with a balancing entry in equity.

Revenues
The recognition of revenue from contracts with customers is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the identified performance obligations based on the stand-alone selling price of each good or service; (v) recognition of revenue when the relevant performance obligation is met, i.e. upon transfer to the customer of control of the promised good or service;, which may occur continuously (over time) or at a specific point in time.
Revenues are recorded net of returns, discounts, rebates and premiums, as well as directly related taxes.

Income taxes: current taxes are calculated on the basis of estimated taxable income and recognised for the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those enacted or substantively enacted at the balance sheet date. Current taxes related to items recognised directly in equity are recognised directly in equity and in other comprehensive income.
As far as corporate income tax (IRES) is concerned, AP Reti Gas S.p.A. for the three-year period 2022 - 2024, Asco Power S.p.A., Cart Acqua S.r.l., Green Factory S.r.l., AP Reti Gas Nord Ovest S.p.A. and Asco Wind & Solar S.r.l. for the three-year period 2023 - 2025, have exercised the option for the national tax consolidation scheme pursuant to Articles 117/129 of the Consolidated Income Tax Act (T.U.I.R.). Green Factory S.r.l., AP Reti Gas Nord Ovest S.p.A. and Asco Wind & Solar S.r.l. for the three-year period 2023 - 2025. This option allows IRES to be determined on a taxable base corresponding to the algebraic sum of the positive and negative taxable amounts of the individual companies participating in the consolidation. Ascopiave S.p.A. acts as the consolidating company and determines a single taxable base for the group of companies participating in the national tax consolidation.

Each of the adhering companies transfer tax income (taxable income or tax loss) to the consolidating company by recording in the income statement under taxes an item 'charges for adhesion to tax consolidation' or 'income for adhesion to tax consolidation' for an amount equal to the current IRES for the year (or the loss transferred) that will be paid or used by the parent company Ascopiave S.p.A.
Deferred tax assets are recognised for all deductible temporary differences and for tax assets and liabilities carried forward, to the extent that it is probable that there will be adequate future taxable profits to utilise the deductible temporary differences and tax assets and liabilities carried forward, except where:

- Deferred tax assets associated with deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the profit for the period calculated for financial reporting purposes nor the profit or loss calculated for tax purposes;
- With respect to taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and that there are adequate taxable profits against which the temporary differences can be utilised.

Deferred tax assets and liabilities are classified as non-current assets and liabilities and are offset at the individual company level if they relate to taxes that can be offset. The balance of the offset, if an asset, is entered under 'Deferred tax assets'; if a liability, under 'Deferred tax liabilities'.

Income tax assets and liabilities include the effects of uncertain tax treatments with probable risk.
When the results of operations are recognised directly in equity, the related current taxes, deferred tax liabilities and deferred tax assets are also recognised in equity.

Depreciation and amortisation: depreciation is calculated based on the estimated useful life of the asset or the residual duration of the concession; the useful life is determined by the directors, with the assistance of technical experts at the time the asset is recognised in the financial statements; assessments of the useful life are based on historical experience, market conditions and expectations of future events that could affect the useful life, including technological changes. The company at regular intervals assesses technological and industry changes, decommissioning/closure charges and salvage value to update the remaining useful life. This periodic update could result in a change in the depreciation period and therefore also in the depreciation charge for future years.

Earnings per share: earnings per share are calculated by dividing the net profit for the year attributable to the company's shareholders by the weighted average number of shares less treasury shares. For the purpose of calculating the basic earnings per share, it should be noted that the numerator is the profit for the year less the portion attributable to minority interests. It should be noted that there are no preference dividends, conversion of preference shares and other similar effects that should adjust the economic result attributable to holders of ordinary capital instruments. Diluted earnings per share are equal to earnings per share as there are no ordinary shares that could have a dilutive effect and no shares or warrants that could have the same effect.

Impairment of assets: at least once a year, the Company performs an impairment test on tangible and intangible assets if they have an indefinite life or even during the year in the presence of events that indicate that the book value is not recoverable. In particular, goodwill is tested for impairment at least annually and during the course of the year if such indicators exist; this test requires an estimate of the value in use of the cash-generating unit to which the goodwill is attributed, which in turn is based on an estimate of the expected cash flows from the unit and their discounting using an appropriate discount rate.
More information can be found in the commentary notes.

Rights of Use and Lease Payables: The determination of rights of use and lease payables under IFRS 16 introduces some elements of judgement that involve the definition of certain accounting policies and the use of assumptions and estimates mainly in relation to the definition of the lease term and the definition of the incremental borrowing rate.

Other estimation processes: estimates are also used to recognise provisions for bad debts, provisions for risks and charges, and asset write-downs, fair value of derivative financial instruments, and valuation of intangible assets in business combinations accounted for under IFRS 3.
Estimates and assumptions are reviewed at regular intervals and the effects of any changes are reflected immediately in the accounts economic.

DISCLOSURE OF MANAGEMENT AND COORDINATION ACTIVITIES

Ascopiave S.p.A. is not subject to management and coordination activities by Asco Holding S.p.A. as it operates in conditions of corporate and entrepreneurial autonomy from its parent company. Asco Holding S.p.A. makes use of certain services provided by Ascopiave S.p.A. and other companies controlled by it, at market conditions, motivated by reasons of organisational and economic opportunity.

EXPLANATORY NOTES TO THE MAIN ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Non-current Assets

1. Intangible Assets

The table below shows the development of the historical cost and accumulated amortisation of intangible assets in the years examined:

	31.12.2024			31.12.2023		
(Thousands of Euro)	Historic cost	Accumulated depreciation	Net value	Historic cost	Accumulated depreciation	Net value
Industrial patent and intellectual property rights	3,279	(3,277)	2	3,279	(3,276)	4
Concessions, licences, trademarks and similar rights	52	(52)	0	52	(52)	0
Other intangible assets	12	(12)	0	12	(12)	0
Intangible assets	**3,343**	**(3,341)**	**2**	**3,343**	**(3,339)**	**4**

The table below shows the changes in intangible assets in the years examined:

	31.12.2023						31.12.2024
(Thousands of Euro)	Net value	Demerger	Change for the year	Decrease	Amortizations during the year	Depreciations of accumulated depreciation	Net value
Industrial patent and intellectual property rights	4	0	(0)		1		2
Concessions, licences, trademarks and similar rights	0	0	0		0		0
Other intangible assets	0	0	0		0		0
Intangible assets	**4**	**0**	**(0)**	**0**	**1**	**0**	**2**

	31.12.2022					31.12.2023
(Thousands of Euro)	Net value	Change for the year	Decrease	Amortizations during the year	Depreciations of accumulated depreciation	Net value
Industrial patent and intellectual property rights	7	0		3		4
Concessions, licences, trademarks and similar rights	0	0		0		0
Other intangible assets	0	0		0		0
Intangible assets	**7**	**0**	**0**	**3**	**0**	**4**

<u>Industrial Patent and Intellectual Property Rights</u>

During the year, the item 'Industrial Patent Rights and Intellectual Property Rights' did not change except for amortisation charges of Euro 1 thousand.

2. Property, Plant and Equipment

The table below shows the development of the historical cost and accumulated depreciation of the item property, plant and equipment at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024 Historic cost	Accumulated depreciation	Net value	Demerger 31.12.2024 Historic cost	Accumulated depreciation	Net value	31.12.2023 Historic cost	Accumulated depreciation	Net value
Lands and buildings	45,703	(21,392)	24,311	7,591	(3,025)	4,566	37,961	(17,320)	20,641
Plant and machinery	2,864	(1,925)	938	193	(162)	31	2,671	(1,630)	1,041
Industrial and commercial equipment	180	(173)	7	0	0	0	179	(172)	7
Other tangible assets	11,777	(10,796)	982	617	(584)	33	10,985	(9,932)	1,053
Tangible assets in progress and advance payments	653	0	653	0	0	0	138	0	138
Rights of use	474	(333)	141	0	0	0	539	(352)	187
Property, plant and equipment	**61,651**	**(34,619)**	**27,032**	**8,400**	**(3,771)**	**4,629**	**52,473**	**(29,405)**	**23,068**

The table below shows the changes in tangible fixed assets during the accounting periods examined:

(Thousands of Euro)	31.12.2023 Net value	Demerger	Change for the year	Decrease	Amortizations during the year	Depreciations of accumulated depreciation	31.12.2024 Net value
Lands and buildings	20,641	4,566	151		1,046		24,311
Plant and machinery	1,041	31	0		133		938
Industrial and commercial equipment	7	0	1		1		7
Other tangible assets	1,053	33	176		280		982
Tangible assets in progress and advance payments	138	0	515		0		653
Rights of use	187	0	98	25	93	25	141
Property, plant and equipment	**23,068**	**4,629**	**940**	**25**	**1,554**	**25**	**27,032**

(Thousands of Euro)	31.12.2022 Net value	Change for the year	Decrease	Amortizations during the year	Depreciations of accumulated depreciation	31.12.2023 Net value
Lands and buildings	21,668	28		1,056		20,641
Plant and machinery	1,143	36		137		1,041
Industrial and commercial equipment	8	(0)		1		7
Other tangible assets	1,247	70		264		1,053
Tangible assets in progress and advance payments	0	138	0	0		138
Rights of use	150	116	56	79	56	187
Property, plant and equipment	**24,216**	**388**	**56**	**1,537**	**56**	**23,068**

Land and buildings

The item mainly includes buildings owned relating to the company headquarters, offices and peripheral warehouses. At the end of the year, the item recorded capital expenditure in the amount of Euro 151 thousand and the depreciation charge for the year was Euro 1,046 thousand.

The extraordinary demerger operations that took place during the year, and described in the paragraph "Reorganisation of Ascopiave S.p.A. subsidiaries" included among the significant events during the year of this annual financial report, determined an increase in the item equal to Euro 4,566 thousand.

Plant and machinery

Plant and machinery decreased from Euro 1,041,000 in the previous year to Euro 938,000 in the year under review. Depreciation allowances recognised during the year amounted to Euro 133,000.

The extraordinary demerger operations that took place during the year, and described in the section “Reorganisation of Ascopiave S.p.A. subsidiaries” of this annual financial report, led to an increase in the item of Euro 31 thousand.

Industrial and commercial equipment

At the end of the year, the item 'Industrial and Commercial Equipment' recorded insignificant investments and the depreciation allowances for the year amounted to Euro 1 thousand.

Other tangible assets

At the end of the year, the item 'Other Assets' recorded investments amounting to Euro 176,000, mainly for the purchase of hardware and telephony, and the depreciation charges for the year amounted to Euro 280,000.

The extraordinary demerger operations that took place during the year, and described in the section “Reorganisation of Ascopiave S.p.A. subsidiaries” of this annual financial report, determined an increase in the item equal to Euro 33 thousand.

Tangible assets in progress and advance payments

This item mainly includes costs incurred for extraordinary maintenance work on company premises and/or peripheral warehouses. During the year, the item recorded investments for Euro 515,000.

Rights of Use

The item includes rights of use related to the first-time application of IFRS 16. The effect of the application of the standard mainly concerns operating leases relating to tangible fixed assets such as building leases and vehicle rental. During the year, this item recorded investments in the amount of Euro 98,000 and depreciation in the amount of Euro 93,000.

3. Investments

The table below summarises the investments held by Ascopiave S.p.A. as of 31 December 2024:

Name	Location	Paid-up capital	Total net equity	Result for the year	%	Book value
Subsidiaries						
AP Reti Gas S.p.A.	Pieve di Soligo (TV)	1,000	499,784	26,813	100%	512,105
AP Reti Gas Nord Ovest S.p.A.	Pieve di Soligo (TV)	27,665	111,288	3,850	100%	131,318
Cart Acqua S.r.l.	Pieve di Soligo (TV)	50	4,033	205	100%	8,000
Asco Power S.p.A.	Pieve di Soligo (TV)	87,258	98,764	6,944	84.17%	89,625
Investments in subsidiaries and associates						**741,048**

Name	Location	Paid-up capital	Total net equity	Result for the year	%	Book value
Other companies						
Banca Prealpi SanBiagio Credito Cooperativo - Soc. Coop.	Tarzo (TV)	9,942	494,620	59,858		1
Hera Comm S.p.A.	Imola (BO)	53,596	453,496	127,814	3%	53,331
Acantho S.p.A.	Imola (BO)	27,094	49,965	6,601	11.35%	22,301
Acinque S.p.A.	Monza (MB)	197,344	443,620	18,563	5%	21,623
Investments in other companies						**97,255**

*data are as at 31 December 2023

At the end of the financial year, investments in subsidiaries and associates amounted to Euro 741,048,000, with an overall decrease of Euro 195,663,000 compared to the previous year.

(Euro)	31.12.2023	Contributions	Merger effect	Demerger effect	31.12.2024
Ap Reti Gas S.p.A.	298,741		200,623	12,741	512,105
Ap Reti Gas Nord Est S.r.l.	169,359		(169,359)		0
Ap Reti Gas Rovigo S.r.l.	14,964		(14,964)		0
Ap Reti Gas Vicenza S.r.l.	16,300		(16,300)		0
Edigas Esercizio Distribuzione Gas S.p.A.	66,091		(66,091)		0
AP Reti Gas Nord Ovest S.p.A.	82,478		66,091	(17,251)	131,318
Asco Renewables S.p.A.	1,033	32,000	(33,033)		0
Asco Power S.p.A.	56,592		33,033		89,625
Cart Acqua S.r.l.	8,000				8,000
Total	**713,558**	**32,000**	**0**	**(4,510)**	**741,048**

As shown in the table of changes in equity investments and as highlighted in the section on significant events, internal reorganisation operations were completed during the year. In particular, the following were completed during the year:

- the merger by incorporation of the subsidiary Asco Renewables S.p.A. into Asco EG S.p.A.. As a result of the merger Asco EG S.p.A. assumes all the rights and obligations of Asco Renewables S.p.A. and continues all its relationships prior to the merger. In this context, Asco EG S.p.A. has also changed its company name to "Asco Power S.p.A.".
- the reorganisation of the so-called GAS distribution CGU, which entailed:
    - merger by of AP Reti Gas Rovigo S.r.l., AP Reti Gas Vicenza S.p.A., AP Reti Gas Nord Est S.r.l. into the subsidiary AP Reti Gas S.p.A..
    - merger by incorporation of Edigas Esercizio Distribuzione Gas S.p.A. and Serenissima Gas S.p.A. into the subsidiary Romeo Gas S.p.A.. Following this transaction, Romeo Gas S.p.A. changed its company name to AP Reti Gas Nord Ovest S.p.A. Partial and proportional demerger by AP Reti Gas S.p.A. in favour of Romeo Gas S.p.A. of 15 gas distribution concessions and related contracts (including employment contracts).
    - partial and proportional demerger by AP Reti Gas Nord Ovest S.p.A. in favour of AP Reti Gas S.p.A. of 12 gas distribution concessions and related contracts (including labour relations).
    - partial and proportional demerger by AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest in favour of Ascopiave S.p.A.

At the end of the financial year, the item shareholdings included in subsidiary companies was equal to Euro 741,048 thousand and recorded an increase, compared to the previous financial year, of Euro 27,490 thousand. The change is explained by the capital contributions made to Asco Renewables (now Asco Power) equal to Euro 32 million partially offset by the effect of the reduction in the value of the holdings determined by the spin-off operations completed on 31 December 2023 by the subsidiaries to the benefit of Ascopiave S.p.A.

Finally, we would like to point out that the value of the holdings recorded at the end of the previous year in the incorporated companies have been reclassified in line with the merger and demerger operations performed, determining a net increase in the shareholding in AP Reti Gas S.p.A. for Euro 213,364 thousand, in the shareholding in AP Reti Gas Nord Ovest S.p.A. for Euro 48,839 thousand and in Asco Power S.p.A. for Euro 33,033 thousand.

All the extraordinary transactions that took place were effective for accounting and tax purposes as of 1 January 2024.

The change in investments in associated companies, which amounted to zero at year-end, is explained by the reclassification, performed pursuant to IFRS 5, of the investment held in Estenergy S.p.A. following the full exercise of the put option and classified as assets held for sale.

It should be noted that on 16 December 2024 Hera Comm S.p.A. and Ascopiave S.p.A. signed the deed of sale by the latter of 25% of the capital of EstEnergy S.p.A.. The Hera Group's shareholding in EstEnergy S.p.A. thus rises to 100%, while Ascopiave S.p.A. completes its exit from the company, after selling the first 8% in 2022 and a further 15% in 2023. The transaction, for a countervalue of approximately Euro 232 million, derives from the exercise of the put option held by Ascopiave S.p.A. on its shareholding in the company, as established in the agreements signed between the parties when the partnership was established in 2019. This value will be paid by July 2025, concurrently with the endorsement of the shares.

Equity investments in other companies amounted to Euro 97,255,000.

The item includes other equity investments, already posted at the end of the previous year, for Euro 54,000 thousand from 3% of the share capital of Hera Comm S.p.A., the value of which was reduced by Euro 669 thousand; for Euro 22,301 thousand from 11.35% of the share capital of Acantho S.p.A.; for Euro 21,623 from 5% of the share capital of Acinque S.p.A., the value of which was reduced by Euro 5,106 thousand, and the residual shareholdings, equal to Euro 1 thousand, related to the shares in Banca Prealpi SanBiagio Credito Cooperativo - Soc. Coop.

We report that Ascopiave S.p.A. holds put options on the equity investment held in Hera Comm S.p.A.. At year-end, these options were not valued in the financial statements because their fair value was lower than the current recoverable value of the equity investment.

Ascopiave S.p.A. is a holding company that performs strategic management and coordination operations for the Ascopiave Group. Pursuant to accounting standard IAS 36, the recoverability of the so-called 'corporate assets' of Ascopiave S.p.A. was verified, i.e. the assets and liabilities relating to Ascopiave S.p.A. core business that were not allocated to the CGU as part of the first-level impairment test. The test was performed from a consolidated perspective (second level test), as provided for by accounting standard IAS 36, and the object of the test was therefore the consolidated net invested capital of Ascopiave S.p.A., net of equity investments not consolidated on a line-by-line basis. In particular, the recoverable value was calculated as the sum of the recoverable values (i) of the Gas Distribution CGU, the Renewable Energy CGU, the Energy Efficiency CGU and the Water Service CGU, (ii) of the other equity investments, determined in the first level impairment test, and the recoverable value (iii) of the Corporate CGU.

With reference to the recoverable amount of the company Ascopiave S.p.A., the cash flows used incorporate the forecasts formulated by management for the company for the period 2025-2028. The terminal value was determined as an estimate of a perpetuity starting from the results forecast for 2027.
The weighted average cost of capital (WACC) was estimated as the average of the WACCs for the Gas Distribution CGU, the Renewable Energy CGU, the Energy Efficiency CGU and the Water Service CGU weighted by the weight of the net invested capital of these CGUs as a percentage of the total.

In conclusion, the recoverable amount thus determined is higher than the book values and therefore the conditions for goodwill impairment do not exist.

4. Other non-current assets

Details of the items comprising Other non-current assets in the years examined are summarised in the table below:

(Thousands of Euro)	31.12.2024	31.12.2023
Security deposits	19	19
Other receivables	2,021	
Other non-current assets	**2,040**	**19**

Other non-current assets increased from Euro 19 thousand in the year 2023, to Euro 2,040 thousand in the year 2024, recording an increase of Euro 2,021 thousand. The increase is mainly explained by the suspension of costs incurred as part of the transaction being finalised with A2A S.p.A. described under "significant events during the year" in this annual financial report.
This item also includes security deposits paid to third parties for a total of Euro 19 thousand, unchanged from the previous year.

5. Non-current Financial Assets

Non-current financial assets amounted to Euro 1,781,000, as shown in the table below:

(Thousands of Euro)	31.12.2024	31.12.2023
Other receivables of a financial nature over 12 months	1,781	2,149
Non-current financial assets	**1,781**	**2,149**

The item includes financial receivables recognised in respect of local entities and deriving from settlement agreements signed in previous years with them for the valorisation of natural gas distribution infrastructures. The value entered under non-current financial assets represents the amounts due beyond 12 months from the closing date of this financial report and, due to the duration of the agreed instalment plan, the item has been discounted to present value.

6. Deferred Tax Assets

Deferred tax assets decreased from Euro 1,170 thousand to Euro 691 thousand, a decrease of Euro 479 thousand, as shown in the table below, which shows the balances in the two years compared:

(Thousands of Euro)	31.12.2024	31.12.2023
Deferred tax assets	691	1,170
Deferred tax assets	**691**	**1,170**

The Company has fully accounted for deferred tax assets related to temporary differences between taxable values and book values as it believes it is probable that future taxable income will absorb all the temporary differences that generated them. In determining deferred tax assets, reference was made to the IRES rate and, where applicable, the IRAP rate in force at the time the temporary differences are expected to reverse.
The total value of temporary differences and the related amounts on which deferred tax assets have been recognised are shown below:

	31.12.2024			31.12.2023		
Description	Temporary differences	Tax rate	Total effect	Temporary differences	Tax rate	Total effect
Depreciation in excess of IRES	2,409	24.0%	578	3,773	24.0%	906
Incentive plans	432	24.0%	104	929	24.0%	223
Directors fees	38	24.0%	9	169	24.0%	41
Allocation of bad debt provisions	0	24.0%	0	1	24.0%	0
Total deferred tax assets			**691**			**1,170**

Current assets

7. Trade receivables

The table below shows the composition of trade receivables at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Receivables from customers	714	1,996
Receivables for invoices to be issued	3,654	3,213
Trade receivables	**4,368**	**5,208**

Trade receivables are shown net of advances received and mainly relate to the invoicing of administrative, financial, legal and IT services held with companies belonging to the Ascopiave Group.
Trade receivables decreased from Euro 5,208 thousand in the previous year to Euro 4,368 thousand in the year under review, recording a decrease of Euro 840 thousand.
Receivables from customers are entirely represented by accounts receivable from Italian debtors.
At the end of the year, there were no non-performing positions that required provisions for bad debts.

Finally, it should be noted that trade receivables are due within the next financial year and do not have any overdue balances of a significant amount.

(Thousands of Euro)	31.12.2024	31.12.2023
Gross trade receivable invoices issued	714	1,996
- allowance for doubtful accounts	(0)	(0)
Net trade receivables for invoices issued	**714**	**1,996**
Aging of trade receivables for invoices issued		
- to expire	707	1,669
- expired within 6 months	7	327
- overdue by 6 to 12 months	0	78
- expired more than 12 months	0	0
- expired more than 5 years	0	0

8. Other Current Assets

The table below shows the breakdown of other current assets at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Tax consolidation receivables	3,610	2,438
Annual pre-paid expenses	741	220
Advance payments to suppliers	223	196
Annual accrued income	2	2
VAT Receivables	786	644
UTF and Provincial/Regional Additional Tax receivables	40	40
Other receivables	5,295	5,052
Other current assets	**10,697**	**8,593**

Other current assets increased by Euro 2,103 thousand, from Euro 8,593 thousand in 2023 to Euro 10,697 thousand in 2024. The increase is mainly explained by higher receivables recognised in relation to the national tax consolidation in the amount of Euro 1,172 thousand, by prepaid expenses in the amount of Euro 521 thousand, and by the VAT credit in the amount of Euro 141.
Other receivables mainly include receivables due from AP Reti Gas Nord Ovest S.p.A. due to the differential between the accounting items contributed and the value attributed for the purposes of the contribution equal to Euro 4,986,000 that took place in 2019.

9. Current Financial Assets

The table below shows the composition of current financial assets at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Financial receivables from subsidiaries and associates companies	145,964	161,755
Other financial current assets	877	977
Current financial assets	**146,841**	**162,732**

Current financial assets amounted to Euro 146,841 thousand, with a decrease of Euro 15,891 thousand from the previous year. The item mainly includes the positive balances of the cash pooling current accounts through which the company manages the Group treasury, disbursing the necessary financing to the subsidiaries so that they can meet their financial requirements.

It should also be noted that at year-end, the item also includes the receivable from the municipality of Creazzo for Euro 137 thousand, the receivable from the municipality of Santorso for Euro 109 thousand, and the short-term portion of the receivable from the municipality of Costabissara for Euro 163 thousand, which arose as a result of the settlement agreements reached with the local authorities.

The composition of the positive current account balances with subsidiaries in the two accounting periods is below:

(Thousands of Euro)	31.12.2024	31.12.2023
AP Reti Gas Rovigo S.r.l. centralized treasury account		12,920
Edigas Esercizio Distribuzione Gas S.p.A. centralized treasury account		9,703
Ap reti Gas S.p.A. centralized treasury account	89,146	22,591
AP Reti Gas Vicenza S.p.A. centralized treasury account		34,664
AP Reti Gas Nord Est S.r.l. centralized treasury account		21,516
Asco Renewables S.p.A. centralized treasury account		23,992
Asco Wind & Solar S.r.l. centralized treasury account	12,991	9,638
Ap Reti Gas Nord Ovest S.p.A. centralized treasury account	31,945	14,806
Serenissima Gas S.p.A. centralized treasury account		4,921
Green Factory S.r.l. centralized treasury account	11,882	7,005
Financial receivables from subsidiaries	**145,964**	**161,755**

The change in receivables from subsidiaries shows a decrease in loans granted at year-end of Euro 15,791,000.
It should also be noted that as a result of the reorganisation of the investee companies, the receivables recognised against the merged companies, as at 31 December 2024, were recognised in the merging companies.

10. Current Tax Assets

The table below shows the composition of current tax assets at the end of each year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Receivables related to IRAP	0	283
Receivables related to IRES	0	623
Other tax receivables	44	1,700
Current tax assets	**44**	**2,606**

Current tax assets amounted to Euro 44,000, a decrease of Euro 2,562,000 compared to FY 2023. The item mainly includes the residual receivable, subsequent to deducting taxes accrued in the year 2024, of IRAP advances paid and IRES advances.
It should be noted that the change in other tax receivables is mainly explained by the extinction of tax receivables related to the super bonus in the amount of Euro 1,650 thousand.

11. Cash and cash equivalents

The table below shows the composition of cash and cash equivalents at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Bank and post office deposits	31,335	43,029
Cash and cash equivalents on hand	3	4
Cash and cash equivalents	**31,338**	**43,033**

This item includes current accounts opened at banks and cash at bank. Cash and cash equivalents at the end of the year amounted to Euro 31,338,000, recording a decrease from the previous year of Euro 11,695,000. Please refer to the cash flow statement for a better understanding of the changes in cash flows during the year.

Net financial position

The table below shows the composition of net financial debt as required by Consob Communication No. DEM/6064293 dated 28 July 2006. The table and disclosures shown have been adjusted to reflect the updates reported in ESMA document 32-382-1138 of 4 March 2021:

	(Thousands of Euro)	31.12.2024	31.12.2023
A	Cash and cash equivalents	31,338	43,033
B	Equivalent to cash ad cash equivalents	0	0
C	Other current financial assets	146,841	162,732
	- of which relatied parties	145,964	161,755
D	**Liquid assets (A) + (B) + (C)**	**178,180**	**205,765**
E	Current financial liabilities (including debt instruments, but excluding the current portion of non-current financial debt)	(81,451)	(85,759)
	- of which relatied parties	(36,323)	(25,672)
	- of which debt instruments current part	0	0
F	Current portion of non-current financial debt	(63,182)	(84,873)
	- of which relatied parties	0	0
G	**Current financial indebtedness (E) + (F)**	**(144,633)**	**(170,632)**
H	**Net current financial indebtedness (D) + (G)**	**33,546**	**35,132**
I	Non-current financial debt (excluding the current portion and debt instruments)	(287,710)	(260,747)
J	Debt instruments	0	0
K	Trade payables and other non current payables	0	0
L	**Non-current financial indebtedness (I) + (J) + (K)**	**(287,710)**	**(260,747)**
M	**Net financial indebtedness (H) + (L)**	**(254,163)**	**(225,615)**

Ascopiave S.p.A.'s net financial position shows an increase of Euro 30,184 thousand compared to the previous year, reaching Euro 254,163 thousand.
It should be noted that short-term bank loans are not subject to covenants or negative pledges, whereas medium/long-term loans are subject to covenants - to be verified on the basis of the results of the consolidated financial statements - described in the section "Medium/Long-Term Loans" of this annual financial report.
Pursuant to Consob Resolution No. 15519 dated 27 July 2006, the effects of transactions with related parties are shown in the special schedule in the section 'Financial Statements presented pursuant to Consob Resolution 15519/2006' of this Annual Financial Report.

The table below shows the reconciliation between the ESMA net financial position and the Company's monitored net financial position:

(Thousands of Euro)	31.12.2024	31.12.2023
ESMA Net financial position	(254,163)	(225,615)
Non current financial assets	1,781	2,149
Assets on interest rate derivative financial instruments	674	1,942
Net financial position monitored by the Company	**(251,708)**	**(221,523)**

12. Current assets from derivative financial instruments

The table below shows the breakdown of current assets in derivative financial instruments for each year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Current assets on electric energy derivatives	908	2,747
Current assets on interest rates derivatives	674	1,942
Current assets from derivative financial instruments	**1,582**	**4,689**

The item at year-end amounted to Euro 1,582,000, a decrease of Euro 3,107,000 compared to the year 2023.
Current assets on derivative financial instruments mainly refer to interest rate hedging contracts entered into by Ascopiave S.p.A.. In addition, there are current assets on derivative financial instruments relating to hedging contracts on the price of electricity produced by the hydroelectric and wind power plants of Asco Power S.p.A. and Asco Wind & Solar S.r.l.
With regard to assets and liabilities related to derivative assets, please refer to the section "Risk and Uncertainty Factors" of this financial report in which the related effects are highlighted.
It should also be noted that the receivables shown include the fair value of derivative contracts in place as well as the portion accrued at year-end but not yet settled at year-end in the amount of Euro 97,000.
Derivative assets related to the loans taken out by the Company are represented by the fair value of the following derivatives outstanding at 31 December 2024, the financial manifestation of which will be broken down according to the underlying duration:

#	Counterpart	Type of instrument	Underlying Commodity	Trade date	Effective date	Expiry date	Position	Contractual notion	MtM (€/000)
1	Mediobanca	Interest Rate Swap	Euribor 3M	23-Dec-21	23-Dec-21	23-Dec-26	Vanilla: Fixed - Float	11,111,111 €	260
2	Mediobanca	Interest Rate Swap	Euribor 3M	02-Dec-20	02-Dec-20	02-Dec-25	Vanilla: Fixed - Float	10,000,000 €	144
3	Credit Agricole	Interest Rate Swap	Euribor 6M	31-Mar-22	31-Mar-22	31-Mar-27	Vanilla: Fixed - Float	6,000,000 €	118
4	BNL	Interest Rate Swap	Euribor 6M	09-Aug-19	09-Feb-20	09-Feb-25	Vanilla: Fixed - Float	6,000,000 €	56
Total									**577**

It is specified that financial instruments measured at fair value belong to valuation hierarchy level 2.

13. Current assets held for sale

The table below shows the breakdown of assets held for sale at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Current assets held for sale	223,152	
Current assets held for sale	**223,152**	

This item shows the assets discontinued at year-end and reclassified pursuant to IFRS 5 as a result of the deed of sale of 25% of the capital of EstEnergy S.p.A. signed by Hera Comm S.p.A. and Ascopiave S.p.A. on 16 December 2024. For further information, please refer to the section "Shareholdings" of this annual financial report.

Net equity

14. Total Net equity

The table below shows the composition of net equity at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Share capital and reserves	806,895	802,666
Net Result for the period	28,403	35,779
Total Net equity	**835,298**	**838,445**

The breakdown of shareholders' equity is shown below:

(Thousands of Euro)	31.12.2024	31.12.2023
Share capital	234,412	234,412
Legal reserve	46,882	46,882
Treasury shares	(55,987)	(55,423)
Reserves	581,587	576,810
Reserve for severance pay discount ias 19	2	(14)
Net Result	28,403	35,779
Total Net equity	**835,298**	**838,445**

Equity as at 31 December 2024 amounted to Euro 835,298,000, a decrease of Euro 3,147,000 compared to 31 December 2023.
The changes in net equity during the year, excluding the result achieved, are mainly explained by the distribution of ordinary dividends resolved by the shareholders' meeting held on 18 April 2024. In fact, the shareholders' meeting resolved to distribute an ordinary dividend in the amount of Euro 0.14 per share. The ordinary dividend was paid on 8 May 2024, with ex-dividend date 6 May 2024 and record date 7 May 2024.

Pursuant to Article 40 of Legislative Decree 127 paragraph 2 d), we acknowledge that as of 31 December 2024, the Company held 17,973,719 treasury shares with a value of Euro 55,987 thousand (Euro 55,423 thousand as of 31 December 2023), which were recognised as a reduction of other reserves as can be seen in the statement of changes in equity.
With regard to long-term incentive plans, it should be noted that during the year, treasury shares were paid to employees and directors for long-term incentive plans (2021-2023 three-year period) for Euro 207 thousand. At year-end, a change of Euro 81,000 was recognised in relation to the new long-term incentive plan for the three-year period 2024-2026.

The hedge accounting reserve posted at year-end represents the current value of derivative financial instruments subscribed by Ascopiave S.p.A. to hedge possible fluctuations in interest rates. The same, as of 31 December 2024, shows a positive balance, net of the tax effect, equal to Euro 415 thousand. It should be noted that as of the closing date of this annual financial report, effects released to the income statement have matured for Euro 1,304 thousand.
Concerning assets and liabilities related to derivative assets, please refer to the section "Risk Hedging Policies" of the Annual Report herein, where the effects related to them are highlighted.

The changes in capital in the financial year 2024 are shown in the tables below:

Shares in circulation as of 31st December 2023 and 31st December 2024		
(Number of shares)	**31.12.2024**	**31.12.2023**
Number of shares from shareholders' capital	234,412	234,412
Number of treasury shares in portfolio	(17,974)	(17,702)
Total number of shares in circulation	**216,438**	**216,710**

Value of the shares in circulation (Thousands of Euro)	31.12.2024	31.12.2023
Ordinary shares	234,412	234,412
Treasury shares in portfolio	(55,987)	(55,423)
Total value of shares in circulation	**178,425**	**178,988**

Gains (losses) recognised directly in equity

As at 31 December 2024, losses of Euro 5,776,000 were recognised in equity.

This reserve includes actuarial gains and losses for Euro 5,776 thousand related to the fair value valuation of the equity investment in Acinque S.p.A. and Hera Comm S.p.A. described in the equity investments section of the Annual Report herein.

With reference to the provisions of Article 2427-bis of the Italian Civil Code, the schedules indicating the origin, possibility of utilisation and distributability of the shareholders' equity items are provided below:

Description	Amount	Possibility of use	Portion available	Usage in the previous three financial period	
				For coverage of losses	For other reasons
Share capital	**234,411,575**	-	-		
CAPITAL RESERVES					
Share premium fund	171,613	A, B, C	171,613		
Reserve with tax suspension constraint	297,093	A, B, C	297,093		
Own shares	(55,987,146)	-	-		
EARNINGS RESERVES					
Legal reserve	46,882,315	B	-		
Other reserve	612,721,221	A, B, C	612,721,221		
Profit/(loss) carried forward	(31,601,432)	A, B, C	(31,601,432)		
Total	**806,598,145**		**581,291,401**		
Portion non available					
Residual value of available portion			**581,291,401**		

Note: "A" = capital increase "B" = coverage of losses, "C" = distribution to shareholders

The share premium reserve is available considering that the legal reserve has reached a value equal to one fifth of the share capital, as required by civil law.

Non-current liabilities

15. Provisions

The table below shows the composition of the provisions for liabilities and charges at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Provisions for pension for gas sector employees	429	871
Provisions	**429**	**871**

The decrease in provisions amounting to Euro 442 thousand is mainly explained by the utilisation of the provision for pensions and similar obligations following the payment of long-term incentives accrued in the three-year period 2021-2023. The final settlement of the total amount, which occurred with the approval of the 2023 financial statements, resulted in the utilisation of the provision in the amount of Euro 791 thousand. This decrease was partially offset by the recognition of the amounts accrued in the reporting period in relation to the long-term incentive plan for the three-year period 2024-2026, which resulted in a provision of Euro 345 thousand.

16. Employee benefits

The table below shows the changes in severance pay during the year under review:

(Thousands of Euro)	
Severance indemnity as of 1st January 2024	215
Transfer of employee contract	178
Liquidations	(361)
Cost related to current work performance	327
Actuarial loss/(profits) for the exercise	(7)
Severance indemnity as of 31th December 2024	**352**

The liability for severance pay is measured using an actuarial method, and its value is therefore sensitive to changes in the relevant assumptions. The main assumptions used in the measurement of the severance pay liability are the discount rate, the average annual exit percentage of employees, and the maximum retirement age of employees.
The discount rate used to measure the liability arising from the employee severance indemnity is determined with reference to market yields for high quality corporate bonds (rated at least AA) for which the maturities and amounts correspond to the maturities and amounts of expected future payments. For this plan, the average discount rate reflecting the estimated maturities and amounts of future payments related to the plan for 2024 is 3.38% (3.17% at 31 December 2023).
The main other assumptions of the model are:

- mortality rate: IPS55 survival table
- Incapacity rates: INPS tables year 2000
- staff turnover rate: 3.00%.
- discount rate: 3.38%.
- annual probability rate of advance payment of severance pay: 2.00%.
- rate of salary increase: 1.50 per cent
- inflation rate: 2.00%.

The sensitivity analysis on the actuarial valuation of the fund did not reveal any significant deviations from the value recorded in the financial statements.
The current cost for labour services is recorded under personnel expenses, while the *interest cost* recorded under financial income and expenses in the amount of Euro 7,000.

17. Long-Term Outstanding Bonds

The table below shows the composition of long-term bonds outstanding at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Long term outstanding bonds	78,805	86,347
Long term outstanding bonds	**78,805**	**86,347**

As part of the private placement "Shelf" programme with Pricoa Capital Group, a company of the US group Prudential Financial Inc, Ascopiave S.p.A., as of 31 December 2024, had a first placement of ordinary non-convertible and unsecured bonds for Euro 25 million, with a maturity of 10 years and an average duration of 8 years, and a second one for a residual amount of Euro 62.2 million, with a maturity of 10 years and an average duration of 6 years, with the posting of Euro 7,606 thousand among payables for short-term bonds in circulation.
The bonds issued are unrated and are not listed on regulated markets. The issue is not backed by collateral. Ascopiave S.p.A. is obliged to comply with certain financial covenants (NFP/Ebitda < 4.5x, NFP/Equity < 1.25x and RAB ≥ Euro 450 million, with the possibility of overruns in the presence of particular extraordinary transactions), to be verified every six months, which as of 31 December 2024 were respected.
The decrease is explained by the payment of instalments due during the year.

18. Non-current bank loans

The table below shows the composition of the item at the end of each period examined, with the application of the amortised cost criterion:

(Thousands of Euro)	31.12.2024	31.12.2023
Loans from Banca Prealpi SanBiagio	3,723	4,576
Loans from European Investment Bank	0	1,250
Loans from Unicredit S.p.A.	4,740	0
Loans from BNL S.p.A.	11,250	16,750
Loans from Cassa Centrale Banca-Credito Coop.	18,314	21,951
Loans from Crédit Agricole Italia S.p.A.	23,960	5,013
Loans from Intesa Sanpaolo S.p.A.	57,831	63,609
Loans from Mediobanca S.p.A.	49,889	15,556
Loans from BPER Banca S.p.A.	9,788	16,150
Loans from Iccrea Banca S.p.A.	8,059	14,425
Loans from Banco BPM S.p.A.	9,025	15,051
Loans from Banca Popolare dell'Alto Adige S.p.A.	12,273	0
Non-current bank loans	**208,852**	**174,329**
Current portion of non-current bank loans	55,576	77,165
Non-current bank loans	**264,428**	**251,494**

Medium- and long-term loans, represented as of 31 December 2024 by Ascopiave S.p.A.'s payables to: Intesa Sanpaolo for Euro 74,000 thousand, Mediobanca for Euro 50,000 thousand, Credit Agricole for Euro 32,000 thousand, Cassa Centrale Banca for Euro 22,005 thousand, BNL for Euro 16,750 thousand, BPER for Euro 16,150 thousand, Banco BPM for Euro 15,000 thousand, Volksbank for Euro 15,000 thousand, Iccrea Banca for Euro 14,415 thousand, Unicredit for Euro 5,000 thousand, BCC Prealpi-Sanbiagio for Euro 4.576 thousand, went from Euro 251,494 thousand at 31 December 2023 to Euro 264,428 thousand at 2024-end, with an increase of Euro 12,934 thousand, explained by the payment of instalments and the signing of new loans with Credit Agricole for Euro 30,000 thousand, with Volksbank for Euro 15,000 thousand, with Unicredit for Euro 5,000 thousand, with Mediobanca for Euro 50,000 thousand and with Intesa Sanpaolo for Euro 10,000 thousand.

In particular, details of the nominal outstanding debt of the individual contracts are given below:

- the loan with Intesa Sanpaolo, disbursed in December 2023 for a total of Euro 80,000 thousand with a maturity date in December 2028, showed a residual debt at 31 December 2024 of Euro 64,000 thousand, with Euro 16,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the contract are NFP/Ebitda and NFP/PN, to be verified semi-annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024. The contract also provides for the reporting of ESG KPIs concerning the reduction of Scope 1 and Scope 2 gas emissions, the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities and the percentage of reduction of fugitive gas emissions on the inspected network, which may have an impact on the future margin applied to the loan;
- the loan with Crédit Agricole, disbursed in June 2024 for a total of Euro 30,000 thousand with maturity in June 2029, showed a residual debt of Euro 27,000 thousand at 31 December 2024, with Euro 6,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the contract are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024. The contract also provides for the reporting of ESG KPIs concerning the reduction of Scope 1 and Scope 2 gas emissions, the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities and the percentage of reduction of fugitive gas emissions on the inspected network, which may impact the future margin applied to the loan;
- the loan with Cassa Centrale Banca, disbursed in March 2022 for a total of Euro 30,000 thousand and expiring in September 2030, showed a residual debt as of 31 December 2024 of Euro 22,005 thousand, with the recognition of Euro 3,662 thousand among bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with BPER, disbursed in September 2022 for a total of Euro 30,000 thousand with a maturity date in June 2027, had a residual debt at 31 December 2024 of Euro 16,150 thousand, with Euro 6,362 thousand recognised as bank debt and short-term loans. The financial covenants under the agreement are NFP/Ebitda and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with Iccrea Banca, disbursed in June 2022 for a total of Euro 30,000 thousand and expiring in March 2027, presents a residual debt as of 31 December 2024 of Euro 14,415 thousand, with the recognition of Euro 6,361 thousand among payables to banks and short-term loans. The contract does not provide for the verification of financial covenants;
- the loan with Banco BPM, disbursed in May 2022 for a total of Euro 30,000 thousand with a maturity date in June 2027, had a residual debt at 31 December 2024 of Euro 15,000 thousand, with Euro 6,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with Volksbank, granted in May 2024 for a total of Euro 15,000 thousand with maturity in July 2029, equal to the residual debt as of 31 December 2024, provides for the recognition of Euro 2,717 thousand among bank borrowings and short-term loans. The contract does not provide for the verification of financial covenants;
- the loan with BNL, which was disbursed in 2017 in the amount of Euro 30,000 thousand and matures in February 2030, had a residual debt of Euro 13,750 thousand as of 31 December 2024, with Euro 2,500 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and

minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;

- the loan with Mediobanca, disbursed in December 2024 for a total of Euro 50,000 thousand with a maturity date of December 2029, equal to the residual debt at 31 December 2024, does not provide for the recognition of bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda, NFP/PN and minimum RAB value, to be verified half-yearly starting 30 June 2025 on the Group's consolidated data prepared pursuant to IFRS. The contract also provides for the disclosure of ESG KPIs concerning the reduction of Scope 1 and Scope 2 gas emissions and the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities, which may have an impact on the future margin applied to the loan;
- the loan with Crédit Agricole, disbursed in March 2022 for a total of Euro 10,000 thousand with maturity date in March 2027, showed a residual debt at 31 December 2024 of Euro 5,000 thousand, with Euro 2,000 thousand recognised under bank borrowings and short-term loans. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with BNL, disbursed in August 2019 in the amount of Euro 30,000 thousand, has a residual debt as of 30 September 2024 in the amount of Euro 3,000 thousand, fully recognised under bank borrowings and short-term loans due in February 2025. The financial covenants under the agreement are NFP/Ebitda and minimum RAB value, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with BCC Prealpi SanBiagio/Cassa Centrale Banca, disbursed at the beginning of 2018 for an amount equal to Euro 10,000 thousand with maturity in February 2030, presents a residual debt as of 31 December 2024 equal to Euro 4,576 thousand, with the recording of Euro 852 thousand among payables to banks and short-term loans. The contract does not provide for the verification of financial covenants;
- the loan with Intesa Sanpaolo, disbursed in December 2024 for a total of Euro 10,000 thousand with a maturity date of December 2029, equal to the residual debt as of 31 December 2024, does not provide for the recognition of bank borrowings and short-term loans. The financial covenants envisaged by the contract are NFP/Ebitda and NFP/PN, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which were met as of 31 December 2024;
- the loan with Unicredit, disbursed in December 2024 for a total of Euro 5,000 thousand with maturity in December 2029, equal to the residual debt as of 31 December 2024, does not provide for the recognition of bank borrowings and short-term loans. The financial covenant envisaged by the contract is NFP/Ebitda, to be verified annually on the Group's consolidated data prepared pursuant to IFRS, which was met as of 31 December 2024. The contract also provides for the disclosure of ESG KPIs concerning the reduction of Scope 1 and Scope 2 gas emissions and the percentage of investments aligned to the EU Taxonomy of Eco-Sustainable Activities, which may have an impact on the future margin applied to the loan.

As a guarantee of the fulfilment of the obligations deriving from the financing contract signed with BNL in 2017, having a residual debt of Euro 13,750 thousand, Ascopiave S.p.A. transferred to the financing bank a share of the future credit deriving from the repayment of the residual value of the assets relating to the Gas Distribution Concessions held by the subsidiary AP Reti Gas S.p.A.

The table below shows the maturities of medium- and long-term loans (the total differs from the detailed table above, as contractual maturities are shown here broken down by year, and not by amortised cost):

(Thousands of Euro)	31.12.2024
Financial Year 2025	55,453
Financial Year 2026	54,525
Financial Year 2027	61,308
Financial Year 2028	52,728
Beyond 31st December 2028	40,881
Non-current bank loans	**264,896**

19. Other non-current liabilities

The table below shows the breakdown of this item at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Security deposits	16	11
Other non-current liabilities	**16**	**11**

Other non-current liabilities increased from Euro 11,000 in the year of 2023 to Euro 16,000 in the year of reference.

20. Non-current Financial Liabilities

The table below shows the breakdown of this item at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Lease liabilities beyond 12 months	53	71
Non-current financial liabilities	**53**	**71**

Non-current financial liabilities decreased from Euro 71 thousand in 2023 to Euro 53 thousand in the year under review, with a decrease of Euro 18 thousand. The item includes the financial debt that will be disbursed beyond twelve months in relation to operating leases of real estate and company vehicles accounted for pursuant to IFRS 16.

21. Deferred tax liabilities

The table below shows the balance of the item at the end of the accounting periods examined

(Thousands of Euro)	31.12.2024	31.12.2023
Deferred tax liabilities	167	471
Deferred tax liabilities	**167**	**471**

At year-end, deferred tax liabilities amounted to Euro 167,000, with a decrease of Euro 304,000 compared to the previous year. The Company has fully accounted for deferred taxes related to temporary differences between fiscally relevant values and balance sheet values. In determining deferred taxes, reference was made to the IRES (corporate income tax) rate and, where applicable, to the IRAP rate in force at the time the temporary differences are expected to be reversed.
The total value of temporary differences and the related amounts on which deferred tax liabilities have been recognised are shown below:

	31.12.2024			31.12.2023		
Description	Temporary differences	Tax rate	Total effect	Temporary differences	Tax rate	Total effect
Derivatives	576	28.2%	162	1,648	28.2%	465
Other	19	24.0%	5	27	24.0%	6
Total deferred tax liabilities			**167**			**471**

Current liabilities

22. Payables due to banks and financing institutions

The table below shows the breakdown of bank borrowings and loans at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Payables due to banks	45,000	60,000
Current portion of non-current bank loans	55,576	77,165
Payables due to banks and financing institutions	**100,576**	**137,165**

Bank payables decreased from Euro 137,165 thousand in the previous year to Euro 100,576 thousand in the year under review, showing a decrease of Euro 36,589 thousand.
This item is the result of the sum of accounts payable balances to credit institutions and the short-term portion of loans.

The table below shows the breakdown of Ascopiave S.p.A.'s utilised and available credit lines and the relative rates applied as of 31 December 2024:

Bank	Type of line of credit	Credit line at 31.12.2024	Use of credit line at 31.12.2024
Banca Nazionale del Lavoro	Short-term loans/guarantees	15,000	-
Banca Nazionale del Lavoro	Long-term mortgage	3,000	3,000
Banca Nazionale del Lavoro	Long-term mortgage	13,750	13,750
Banca Popolare dell'Emilia Romagna	Cash loan	5,000	-
Banca Popolare dell'Emilia Romagna	Long-term mortgage	16,150	16,150
Banca Popolare dell'Emilia Romagna	Endorsement loan	107	107
Banco BPM	Cash loan	8,000	-
Banco BPM	Endorsement loan	2,000	1,243
Banco BPM	Long-term mortgage	15,000	15,000
Cassa Centrale Banca	Long-term mortgage	22,005	22,005
Cassa Centrale Banca/Prealpi	Long-term mortgage	4,576	4,576
Cassa Depositi e Prestiti	Endorsement loan	2,156	2,156
Crédit Agricole Friuladria	Cash loan	10,000	10,000
Crédit Agricole Friuladria	Long-term mortgage	5,000	5,000
Crédit Agricole Friuladria	Long-term mortgage	27,000	27,000
Credito Emiliano	Cash loan	30,000	30,000
ICCREA	Long-term mortgage	14,415	14,415
Intesa SanPaolo	Endorsement loan	5,000	1,411
Intesa SanPaolo	Cash loan	20,000	
Intesa SanPaolo	RCF line	20,000	-
Intesa SanPaolo	Long-term mortgage	50,000	10,000
Intesa SanPaolo	Long-term mortgage	64,000	64,000
Mediobanca	Long-term mortgage	50,000	50,000
Pricoa Capital Group	Bond loan	25,000	25,000
Pricoa Capital Group	Bond loan	62,222	62,222
Unicredit	Cash loan	40,000	-
Unicredit	Endorsement loan	35,816	10,160
Unicredit	Long-term mortgage	100,000	5,000
Volksbanck	Long-term mortgage	15,000	15,000
Volksbanck	Cash loan	5,000	5,000
Total		**685,197**	**412,195**

Note: Total utilisations do not correspond to total payables to banks as the utilisation of the line for the issue of guarantees does not result in the incurring of bank debts

23. Short term outstanding bonds

The table below shows the breakdown of this item at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Short term outstanding bonds	7,606	7,708
Short term outstanding bonds	**7,606**	**7,708**

Short-term bonds outstanding represent the portion of the Pricoa Capital Group bond issue maturing within 12 months, for more details please refer to the section 'Long-term Bonds Outstanding' in this annual financial report.

24. Trade Payables

The table below shows the composition of trade payables at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Payables to suppliers	892	1,491
Payables to suppliers for invoices not yet received	2,584	1,775
Trade payables	**3,476**	**3,266**

Trade payables increase from Euro 3,266 thousand in the previous year to Euro 3,476 thousand in the year under review, showing an increase of Euro 210 thousand. The increase is mainly explained by higher balances recognised for payables for invoices to be received at year-end for Euro 810 thousand, partially offset by lower invoices received for Euro 599 thousand.
It should also be noted that trade payables are payable within the next financial year.

25. Current Tax Liabilities

The table below shows the breakdown of this item at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
IRAP payables	3,987	
Current tax liabilities	**3,987**	

Current tax liabilities amounted to Euro 3,987,000; the item includes the residual liability, after deducting advance payments, for IRES taxes pertaining to the year 2024.

26. Other Current Liabilities

The table below shows the breakdown of 'Other current liabilities' at the end of each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Payables for tax consolidation	4,906	2,788
Amounts due to social security institutions	375	348
Amounts due to employees	1,583	1,537
Payables to revenue office for withholding tax	533	279
Annual passive accruals	3,046	4,411
Other payables	452	468
Other current liabilities	**10,896**	**9,831**

At the end of the year under review, other current liabilities amounted to Euro 10,896,000, showing an increase of Euro 1,065,000 compared to the year 2023.
The increase is mainly explained by higher payables recognised for tax consolidation, which increased by Euro 2,118 thousand, higher payables to the tax authorities for Euro 254 thousand, and higher payables to personnel for Euro 46 thousand, partially offset by lower annual accruals for Euro 1,365 thousand and lower other payables for Euro 16 thousand.
Amounts due to social security institutions' refer to payables for contribution charges accrued in November and December and paid in the first months of the year 2025; while 'Amounts due to employees' include payables for untaken holiday days, monthly salaries and bonuses accrued as of 31 December 2024 and not yet paid at that date.

27. Current Financial Liabilities

The table below shows the breakdown of 'Current financial liabilities' at the end of the accounting periods examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Financial liabilities within 12 months	36,388	25,672
Lease liabilities within 12 months	63	88
Current financial liabilities	**36,451**	**25,759**

Current financial liabilities amounted to Euro 36,451,000, with an increase of Euro 10,692,000 compared to the previous year, mainly due to the balances recorded in the cash pooling current accounts with subsidiaries through which the company manages the Group treasury.
These are represented by financial payables to Cart Acqua S.r.l. for Euro 491 thousand and Asco Power S.p.A. for Euro 35,833 thousand.
Financial payables related to the application of IFRS 16 recorded a change of Euro 25 thousand during the year. They represent financial payables due within twelve months for operating lease contracts signed for the rental of company premises and motor vehicles.

The composition of the debit balances of current accounts with subsidiaries in the two accounting periods is below:

(Thousands of Euro)	31.12.2024	31.12.2023
Cart Acqua S.r.l. centralized treasury account	491	259
Asco power S.p.A. centralized treasury account	35,833	25,413
Financial payables to subsidiary companies	**36,323**	**25,672**

28. Current liabilities from derivative financial instruments

The table below shows the composition of current liabilities on derivative financial instruments for each financial year examined:

(Thousands of Euro)	31.12.2024	31.12.2023
Liabilities on electric energy derivatives	908	2,747
Current liabilities from derivative financial instruments	**908**	**2,747**

Current liabilities on derivative financial instruments are related to hedging contracts on the price of electricity produced by the hydroelectric plants of the subsidiary Asco Power S.p.A.. With regard to assets and liabilities related to derivative assets, please refer to the section "Risk and Uncertainty Factors" of the Annual Report herein, where the related effects are highlighted.

The liabilities on derivatives underwritten by Ascopiave S.p.A. are represented by the fair value of the following derivatives outstanding as of 31 December 2024, whose financial manifestation will be broken down according to the underlying maturity:

#	Counterpart	Type of instrument	Underlying Commodity	Trade date	Effective date	Expiry date	Position	Contractual notion	MtM (€/000)
1	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	12-Apr-24	01-Jan-25	31-Dec-25	Sell/Short	26,280 Mwh	591
2	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	07-Aug-24	01-Jan-25	31-Mar-25	Sell/Short	4,318 Mwh	50
3	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	11-Nov-24	01-Apr-25	30-Jun-25	Sell/Short	8,736 Mwh	83
4	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	11-Nov-24	01-Jul-24	30-Sep-25	Sell/Short	2,208 Mwh	25
5	Intesa Sanpaolo	Commodity Swap	Power IT Baseload	15-Nov-24	01-Oct-25	31-Dec-25	Sell/Short	8,836 Mwh	84
Total									**832**

It is specified that financial instruments measured at *fair value* belong to valuation hierarchy level 2.

EXPLANATORY NOTES TO THE MAIN ITEMS OF THE PROFIT AND LOSS ACCOUNT

Revenues

29. Revenues

The table below shows the revenues for the years examined:

	Full Year	
(Thousands of Euro)	2024	2023
Revenues from general services supplied to Group companies	7,776	8,267
Other revenues	712	1,451
Distribution of dividends from controlled companies	42,606	44,329
Revenues	**51,094**	**54,046**

At the end of the year, revenues amounted to Euro 51,094,000, with a decrease of Euro 2,952,000 compared to the previous year.

Revenues from general services rendered to Group companies recorded a decrease of Euro 491 thousand, from Euro 8,267 thousand in the previous year to Euro 7,776 thousand in the year under review.

Revenues from the distribution of dividends from participated companies recorded a decrease of Euro 1,722,000, going from Euro 44,329,000 in the previous year to Euro 42,606,000 in the year under review. The change is mainly explained by lower dividends received from the participated companies.

At the end of the year, other revenues decreased from Euro 1,451,000 in the year 2023 to Euro 712,000 in the year under review, with a decrease of Euro 739,000.

Operating Costs

30. Costs for services

The table below shows the breakdown of costs for services in the accounting periods examined:

	Full Year	
(Thousands of Euro)	2024	2023
Maintenance and repairs	1,516	1,510
Consulting services	2,595	2,693
Commercial services and advertisement	128	149
Sundry suppliers	296	355
Directors' and Statutory Auditors' fees	587	532
Insurances	856	718
Personnel costs	619	418
Other managing expenses	710	655
Costs for use of third-party assets	763	619
Costs for services	**8,069**	**7,649**

At year-end, costs for services amounted to Euro 8,069,000, showing an increase of Euro 420,000 compared to the previous year. The increase is mainly explained by the increase in costs incurred for personnel, lease and rental costs, insurance costs, and other operating expenses, partially offset by costs for consulting services, costs for commercial services and advertising, and costs for utilities.

Personnel expenses include employee travel and mission costs, canteen costs, and training and education costs and

show an increase of Euro 201,000 compared to the previous year.
The item Lease and rental costs mainly includes costs for software rights and licences and costs for office rents. At year-end, the item recorded an increase of Euro 144,000.

31. Personnel expenses

The table below provides a breakdown of personnel costs for the accounting periods examined:

	Full Year	
(Thousands of Euro)	2024	2023
Wages and salaries	5,609	5,669
Social security contributions	1,501	1,467
Severance indemnity	327	319
Other costs	2	
Total Personnel expenses	**7,440**	**7,456**

Personnel expenses decreased from Euro 7,456,000 in the previous year to Euro 7,440,000 in 2024, with a decrease of Euro 16,000. It should be noted that as of 31 December 2024, costs accrued during the year for long-term incentive plans amounting to Euro 443 thousand and short-term incentive plans amounting to Euro 469 thousand were recognised. It should also be noted that, in compliance with IFRS 2, the cost of long-term incentive plans was set off against equity reserves in the amount of Euro 81 thousand for the portion to be paid in shares and against pension funds in the amount of Euro 362 thousand for the portion to be paid in cash. The amounts recognised in relation to long-term incentive plans refer to the last year of the three-year period 2024-2026, the period defined by the plans for the vesting of the bonus.

The table below shows the average number of employees per category at the end of the financial year 2024 and at the end of the financial year 2023:

Description	31.12.2024	31.12.2023	Variation
Managers	9	10	(1)
Office workers	69	70	(2)
Manual workers	1	1	0
No. of staff employed	**79**	**81**	**(2)**

It should be noted that some employees of the company are holders of multi-year incentive plans.

32. Other management costs

The table below provides a breakdown of other operating costs for the years examined:

	Full Year	
(Thousands of Euro)	2024	2023
Membership and ARERA fees	268	261
Extraordinary losses	4	230
Other taxes	208	146
Other costs	107	117
Costs of contracts	0	1
Other management costs	**587**	**754**

Other management costs recorded a decrease of Euro 168 thousand compared to the previous year, going from Euro 754 thousand to Euro 587 thousand. The change is mainly explained by lower contingent liabilities recognised during the year of reference.

33. Other income

The table below provides a breakdown of other operating income for the years examined:

	Full Year	
(Thousands of Euro)	2024	2023
Other income	127	3,616
Other income	**127**	**3,616**

At year-end the item was equal to Euro 127,000, showing a decrease of Euro 3,489,000 compared to the previous year. In fact, during the year 2023, the partial exercise of 15% of the put option on the investment in EstEnergy S.p.A. had led to the recognition of a capital gain of Euro 3,609 thousand.

34. Depreciation and Amortisation

The table below shows the details of depreciation for the accounting periods examined:

	Full Year	
(Thousands of Euro)	2024	2023
Amortization	1,555	1,540
Depreciation and amortization	**1,555**	**1,540**

Depreciation and amortisation recognised at the end of the year amounted to Euro 1,555,000, showing an increase of Euro 15,000 compared to the previous year.
It should be noted that the method of accounting for operating leases resulted in the recognition of depreciation costs totalling Euro 93,000 for building rentals and company car rentals.

35. Net financial income and expenses

The table below provides a breakdown of financial income and expenses for the years examined:

	Full Year	
(Thousands of Euro)	2024	2023
Interest income on bank and post office accounts	266	249
Other interest income	5,456	4,166
Financial income	**5,723**	**4,416**
Interest expense on banks	2,717	5,510
Interest expense on loans	9,302	5,342
Other financial expenses	2,374	2,572
Financial expense	**14,392**	**13,424**
Total net financial (expense) / income	**8,670**	**9,009**

Financial income and expenses showed a negative balance of Euro 8,670,000, down by Euro 339,000 from the previous year. The change is mainly explained by the increase in interest income accrued on the positive balances of the cash pooling accounts in place with the participated companies. In fact, they showed a more than proportional increase compared to the financial expenses borne by the company.
Financial expenses amounted to Euro 14,392,000 at year-end, an increase of Euro 968,000 compared to the previous year.
The increase is mainly explained by higher interest expenses accrued on short-term, and medium-/long-term, variable-rate loans due to higher interest rates, as well as by the increase in debt.
It should be noted that following the application of IFRS 16, financial expenses of Euro 9,000 were recognised.

36. Income taxes

The table below details the income taxes in the accounting periods examined:

	Full Year	
(Thousands of Euro)	2024	2023
IRES current taxes	3,918	4,442
(Advance)/Deferred taxes	(501)	89
Taxes previous years	85	(7)
Income taxes	**3,503**	**4,524**

Taxes for the year went from Euro 4,524,000 in the previous year to Euro 3,503,000 in the year under review, a decrease of Euro 1,021,000.

The table below shows the portion of taxes on income:

	Full Year	
(Thousands of Euro)	2024	2023
Earnings before tax	24,900	31,254
Income taxes	3,503	4,524
Percentage of income before taxes	**14.1%**	**14.5%**

The effective tax rate went from 14.5% in the financial year 2023 to 14.1% in the reporting year, with a decrease of 0.4%

	Full Year			
(Thousands of Euro)	2024		2023	
Applicable ordinary rate	24.0%		24.0%	
Earnings before tax	**24,900**		**31,254**	
Theoretical tax burden	5,976	24.0%	7,501	24.0%
Dividends	(9,714)	(39.0)%	(10,107)	(32.3)%
ACE	0	0.0%	(1,143)	(3.7)%
Non-taxable capital gains	0	0.0%	(823)	(2.6)%
Other permanent differences	321	1.3%	41	0.1%
Taxes from previous years	(85)	(0.3)%	7	0.0%
Income taxes	**(3,502)**	**(14.1)%**	**(4,524)**	**(14.5)%**
Effective tax rate	**(14.1)%**		**(14.5)%**	

OTHER OBSERVATIONS

Non-recurring components

Pursuant to CONSOB communication No. 15519/2005, we report that in 2023 the item "Other operating income" includes non-recurring income for Euro 3,609 thousand, related to the exercise of the put option on the shareholding in Estenergy S.p.A. that Ascopiave S.p.A. exercised to the extent of 15%. As of 31 December 2024, there were no non-recurring items in this annual financial report.

Reorganisation of Ascopiave S.p.A. subsidiaries

On 16 December 2024, in front of a notary public, the companies AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest S.p.A. demerged some branches of the company among themselves and towards Ascopiave S.p.A.. The demerger took place partly through the contribution of reserves and partly through cash offsets. The statutory effects of the merger took effect at 11:59 p.m. on 31 December 2024. The table below shows the balance sheet as at 31 December 2024 of the demerged branches.

Statement of Assets and Liabilities as at 31 December 2024 relating to demergers:

(Thousands of Euro)	Pre-Divide Values 31.12.2024	Demerger Ap Reti Gas Ap Reti Gas Nord Ovest	Demerger Ap Reti Gas Ascopiave	Final values 31.12.2024
Assets				
Non-current assets				
Intangible assets	2	0	0	2
Property, plant and equipment	22,403	2,186	2,443	27,032
Shareholdings	842,813	(2,164)	(2,347)	838,303
Other non-current assets	2,040	0	0	2,040
Non current financial assets	1,781	0	0	1,781
Deferred tax assets	667	19	5	691
Total Non-current assets	**869,707**	**42**	**101**	**869,850**
Current assets				
Trade receivables	4,368	0	0	4,368
Other current assets	10,697	0	0	10,697
Current financial assets	146,687	68	86	146,841
Current tax assets	44	0	0	44
Cash and cash equivalents	31,338	0	0	31,338
Current assets from derivative financial instruments	1,582	0	0	1,582
Current assets held for sale	223,152	0	0	223,152
Total Current assets	**417,869**	**68**	**86**	**418,023**
Total Assets	**1,287,575**	**110**	**187**	**1,287,873**
Net equity and liabilities				
Total Net equity	**835,001**	**110**	**187**	**835,298**
Non-current liabilities				
Provisions	429	0	0	429
Employee benefits	352	0	0	352
Non-current bank loans	208,852	0	0	208,852
Other non-current liabilities	16	0	0	16
Long term outstanding bonds	78,805	0	0	78,805
Non-current financial liabilities	53	0	0	53
Deferred tax liabilities	167	0	0	167
Total Non-current liabilities	**288,674**	**0**	**0**	**288,674**
Current liabilities		0	0	
Payables due to banks and financing institutions	100,576	0	0	100,576
Trade payables	3,476	0	0	3,476
Current tax liabilities	3,987	0	0	3,987
Other current liabilities	10,896	0	0	10,896
Current financial liabilities	36,451	0	0	36,451
Liabilities from derivative financial instruments	908	0	0	908
Short term outstanding bonds	7,606	0	0	7,606
Total Current liabilities	**163,900**	**0**	**0**	**163,900**
Total Liabilities	**452,574**	**0**	**0**	**452,574**
Total Net equity and liabilities	**1,287,575**	**110**	**187**	**1,287,873**

Related party disclosures

The Company is controlled by Asco Holding S.p.A., which holds 51.900% of the shares.
All transactions with Group companies are part of the company's ordinary business operations and are conducted on an arm's length basis. There were no other transactions in the financial year 2024 with companies and entities related to shareholders or directors of the company or parent and subsidiary companies.

	31.12.2024				Costs		Revenues	
Companies	Trade receivables	Other receivables	Trade payables	Other payables	Services	Other	Services	Other
Parent company								
Asco Holding S.p.A.	51	151	21		70		201	
Total parent company	**51**	**151**	**21**	**0**	**70**	**0**	**201**	**0**
Affiliated companies								
Bim Piave Nuove Energie S.r.l.	85		3		9		316	
Total affiliated companies	**85**	**0**	**3**	**0**	**9**	**0**	**316**	**0**
Controlled companies								
AP Reti Gas S.p.A	2,079	90,984	129	5	500		4,473	12,891
Cart Acqua S.r.l.	17	7	2	491		4	56	6
Asco Power S.p.A.	210	1,556	239	39,583	87	425	764	1,024
Green Factory S.r.l.	117	11,900				20	75	311
AP Reti Gas Nord Ovest S.p.A.	586	38,203	48		188		1,101	4,407
Asco Wind & Solar S.r.l.	807	12,991		1,107		2	136	340
Total controlled companies	**3,816**	**155,641**	**418**	**41,185**	**775**	**452**	**6,604**	**18,980**
Associated companies								
Estenergy S.p.A.	159						637	
Etra Energia S.r.l.	0						1	
ASM Set S.r.l.	0						1	
Total associated companies	**160**	**0**	**0**	**0**	**0**	**0**	**639**	**0**
Total	**4,112**	**155,792**	**442**	**41,185**	**854**	**452**	**7,760**	**18,980**

Transactions with related parties that Ascopiave S.p.A. has with other Group companies mainly concern the following types:

- ✓ the rebilling of certain insurance costs by the parent company Asco Holding S.p.A.;
- ✓ the purchase of certain administrative services, call centres, credit management;
- ✓ the sale of counter services, personnel management, IT service management, real estate service management, optical archiving, staff services such as quality, privacy and employee safety;
- ✓ the sale of accounting and regulatory compliance management services;
- ✓ the sale of the administration and finance service;
- ✓ the recharging to Group companies of accounting and IT services, of any external expenses incurred;
- ✓ the agreement to regulate treasury relations aimed at offsetting cash surpluses and shortages among Group companies;
- ✓ the agreement to join the Group's tax consolidation with subsidiaries.

On 24 November 2010, the Board of Directors approved the Procedure for Transactions with Related Parties (the 'Procedure'). The Procedure regulates related party transactions performed by the Company, directly or through subsidiaries, pursuant to the Regulation adopted pursuant to Article 2391-bis of the Italian Civil Code by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution No. 17221 of 12 March 2010, as amended. The Procedure came into force on 1° January 2011 and replaced the previous regulation on related party transactions, approved by the Company's Board of Directors on 11 September 2006 (subsequently amended).
For the Procedure, please refer to the document available on the Issuer's website at the following address: http://www.gruppoascopiave.it/wp-content/uploads/2015/01/Procedura-per-le-operazioni-con-parti-correlate-GruppoAscopiave-20101124.pdf.

For the purposes of implementing the Procedure, a mapping of the so-called Related Parties is performed at regular intervals. Related Parties, in relation to which the contents and control measures provided for in the document are applicable. The Directors are also called upon to declare, if any, any conflicting interests with respect to the performance of the transactions in question.

It should be noted that the equity investment in Estenergy S.p.A., at year-end, was reclassified as an asset held for sale pursuant to IFRS 5 as a result of the deed of sale of 25% of the capital stipulated by Hera Comm S.p.A. and Ascopiave S.p.A. on 16 December 2024.

Financial statements submitted pursuant to Consob Resolution 15519/2006

Below are the financial statements showing the effects of related party transactions and the effects of non-recurring income and expenses disclosed pursuant to Consob Resolution No. 15519 dated 27 July 2006.

Statement of Financial Position

(Thousands of Euro)	31.12.2024	of which related parties A	B	C	D	Total	%	31.12.2023	of which related parties A	B	C	D	Total	%
Assets														
Non-current assets														
Intangible assets	2							4						
Property, plant and equipment	27,032							23,068						
Investments in subsidiary and associated companies	741,048		741,048			741,048	100.0%	936,710		713,558	223,152		936,710	100.0%
Investments in other companies	97,255				97,255	97,255	100.0%	97,255				97,255	97,255	100.0%
Other non-current assets	2,040							19						
Non current financial assets	1,781							2,149						
Deferred tax assets	691							1,170						
Non-current assets	**869,850**		**741,048**		**97,255**	**838,303**	**96.4%**	**1,060,375**		**713,558**	**223,152**	**97,255**	**1,033,965**	**97.5%**
Current assets														
Trade receivables	4,368	51	3,816	160	85	4,112	94.1%	5,208	63	4,295	126	119	4,602	88.4%
Other current assets	10,697	151	8,844			8,996	84.1%	8,593	151	15,690			15,841	184.3%
Current financial assets	146,841		145,964			145,964	99.4%	162,732		161,755			161,755	99.4%
Current tax assets	44							2,606		1,005			1,005	38.6%
Cash and cash equivalents	31,338							43,033						
Current assets from derivative financial instruments	1,582		832			832	52.6%	4,689		2,747			2,747	58.6%
Current assets held for sale	223,152			223,152		223,152	100.0%							
Current assets	**418,023**	**202**	**159,457**	**223,312**	**85**	**159,904**	**38.3%**	**226,862**	**214**	**184,487**	**126**	**119**	**184,946**	**81.5%**
Assets	**1,287,873**	**202**	**900,504**	**223,312**	**97,340**	**998,206**	**77.5%**	**1,287,236**	**214**	**898,045**	**223,278**	**97,374**	**1,218,911**	**94.7%**
Net equity and liabilities														
Total Net equity														
Share capital	234,412							234,412						
Treasury shares	(55,987)							(55,423)						
Reserves	628,471							623,678						
Net Result	28,403							35,779						
Total Net equity	**835,298**							**838,445**						
Non-current liabilities														
Provisions	429							871						
Employee benefits	352							215						
Long term outstanding bonds	78,805							86,347						
Non-current bank loans	208,852							174,329						
Other non-current liabilities	16							11						
Non-current financial liabilities	53							71						
Deferred tax liabilities	167							471						
Non-current liabilities	**288,674**							**262,315**						
Current liabilities														
Payables due to banks and financing institutions	100,576							137,165						
Short term outstanding bonds	7,606							7,708						
Trade payables	3,476	21	418		3	442	12.7%	3,266	16	1,189		3	1,209	37.0%
Current tax liabilities	3,987													
Other current liabilities	10,896		4,785			4,785	43.9%	9,831		3,310			3,310	33.7%
Current financial liabilities	36,451		36,323			36,323	99.7%	25,759		25,672			25,672	99.7%
Current liabilities from derivative financial instruments	908		76			76	8.4%	2,747		2,747			2,747	100.0%
Current liabilities	**163,900**	**21**	**41,604**		**3**	**41,627**	**25.4%**	**186,476**	**16**	**32,917**		**3**	**32,937**	**17.7%**
Liabilities	**452,574**	**21**	**41,604**		**3**	**41,627**	**9.2%**	**448,792**	**16**	**32,917**		**3**	**32,937**	**7.3%**
Net equity and liabilities	**1,287,873**	**21**	**41,604**		**3**	**41,627**	**3.2%**	**1,287,236**	**16**	**32,917**		**3**	**32,937**	**2.6%**

Related party column header legend:

A *Parent companies and shareholders*

B *Subsidiaries*

C *Associated and jointly controlled companies*

D *Affiliated companies and other related parties*

The values shown in the table above relate to the related parties listed below:

Group A - parent companies and shareholders:

- Asco Holding S.p.A.

Group B - Subsidiaries:

- AP Reti Gas S.p.A.
- AP Reti Nord Ovest S.p.A.
- Asco Wind & Solar S.r.l.
- Green Factory S.r.l.
- Cart Acqua S.r.l.
- Asco Power S.p.A.

Group C - Associated and jointly controlled companies:

- ASM Set S.r.l.
- Estenergy S.p.A.
- Etra Energia S.r.l.

Group D - other related parties:

- Acantho S.p.A.
- Bim Piave Nuove Energie S.r.l.
- Hera Comm S.p.A.
- Acinque S.p.A.
- Board of Directors
- Mayors
- Strategic managers

It should be noted that the equity investment in Estenergy S.p.A., at year-end, was reclassified as an asset held for sale pursuant to IFRS 5 as a result of the deed of sale of 25% of the capital stipulated by Hera Comm S.p.A. and Ascopiave S.p.A. on 16 December 2024.

Statements of Profit or Loss and Other Comprehensive Income

	FY	of which related parties						FY	of which related parties					
(Thousands of Euro)	2024	A	B	C	D	Total	%	2023	A	B	C	D	Total	%
Revenues	**51,094**	**201**	**36,261**	**9,657**	**4,566**	**50,686**	**99.2%**	**54,046**	**164**	**27,985**	**19,653**	**4,563**	**52,365**	**96.9%**
- of which non-recurring														
Total operating income and costs	**15,969**	**70**	**775**		**989**	**1,834**	**11.5%**	**12,243**	**59**	**1,307**		**1,554**	**2,920**	**23.9%**
Costs for services	8,069	70	775		595	1,440	17.9%	7,649	59	1,307		480	1,847	24.1%
Personnel expenses	7,440				394	394	5.3%	7,456				1,074	1,074	14.4%
Other management costs	587							754						
Other income	127							3,616						
- of which non-recurring								*3,609*			*3,609*		*3,609*	*100.0%*
Amortization and depreciation	**1,555**							**1,540**						
Operating result	**33,570**	**131**	**35,486**	**9,657**	**3,577**	**48,851**	**145.5%**	**40,263**	**105**	**26,678**	**19,653**	**3,009**	**49,444**	**122.8%**
Financial income	5,723		5,346			5,346	93.4%	4,416		3,291			3,291	74.5%
Financial expense	14,392		429			429	3.0%	13,424		191			191	1.4%
Earnings before tax	**24,900**	**131**	**40,403**	**9,657**	**3,577**	**53,768**	**215.9%**	**31,254**	**105**	**29,778**	**19,653**	**3,009**	**52,544**	**168.1%**
Income taxes	3,503		13,291			13,291		4,524		10,805			10,805	
Net result for the year	**28,403**	**131**	**53,694**	**9,657**	**3,577**	**67,059**		**35,779**	**105**	**40,583**	**19,653**	**3,009**	**63,349**	

Related party column header legend:

A *Parent companies and shareholders*

B *Subsidiaries*

C *Associated and jointly controlled companies*

D *Affiliated companies and other related parties*

The values shown in the table above relate to the related parties listed below:

Group A - parent companies and shareholders:

- Asco Holding S.p.A.

Group B - Subsidiaries:

- AP Reti Gas S.p.A.
- AP Reti Gas Nord Ovest S.p.A.
- Asco Wind & Solar S.r.l.
- Green Factory S.r.l.
- Cart Acqua S.r.l.
- Asco Power S.p.A.

Group C - Associated and jointly controlled companies:

- ASM Set S.r.l.
- Etra Energia S.r.l.
- Estenergy S.p.A.

Group D - other related parties:

- Acantho S.p.A.
- Bim Piave Nuove Energie S.r.l.
- Acinque S.p.A.

- Hera Comm S.p.A.
- Board of Directors
- Mayors
- Strategic managers

Net financial debt

(Thousands of Euro)	FY 2024	of which related parties A	B	C	D	Total	%	FY 2023	of which related parties A	B	C	D	Total	%
A Cash and cash equivalents	31,338							43,033					0	
B Equivalent to cash and cash equivalents	0							0					0	
C Other current financial assets	146,841		145,964			145,964	99%	162,732		161,755			161,755	98%
- of which relatied parties	145,964		145,964			145,964	100%	161,755		161,755			161,755	100%
D Liquid assets (A) + (B) + (C)	**178,180**	**0**	**145,964**	**0**	**0**	**145,964**	**82%**	**205,765**	**0**	**161,755**	**0**	**0**	**161,755**	**78%**
E Current financial liabilities (including debt instruments, but excluding the current portion of non-current financial debt)	(81,451)		(36,323)			(36,323)	45%	(85,759)		(25,672)			(25,672)	30%
- of which relatied parties	(36,323)		(36,323)			(36,323)	100%	(25,672)		(25,672)			(25,672)	100%
- of which debt instruments current part	0							0					0	
F Current portion of non -current financial debt	(63,182)							(84,873)					0	
- of which relatied parties	0							0					0	
G Current financial indebtedness (E) + (F)	**(144,633)**	**0**	**(36,323)**	**0**	**0**	**(36,323)**	**25%**	**(170,632)**	**0**	**(25,672)**	**0**	**0**	**(25,672)**	**15%**
H Net current financial indebtedness (D) + (G)	**33,546**	**0**	**109,641**	**0**	**0**	**109,641**	**327%**	**35,132**	**0**	**136,084**	**0**	**0**	**136,084**	**367%**
I Non-current financial debt (excluding the current portion and debt instruments)	(287,710)							(260,747)					0	
J Debt instruments	0							0					0	
K Trade payables and other non-current payables	0							0					0	
L Non-current financial indebtedness (1) + (J) + (K)	**(287,710)**	**0**	**0**	**0**	**0**	**0**		**(260,747)**	**0**	**0**	**0**	**0**	**0**	
M Net financial indebtedness (H) + (L)	**(254,163)**	**0**	**109,641**	**0**	**0**	**109,641**	**-43%**	**(225,615)**	**0**	**136,084**	**0**	**0**	**136,084**	**-61%**

Related party column header legend:

A *Parent companies and shareholders*

B *Subsidiaries*

C *Associated and jointly controlled companies*

D *Affiliated companies and other related parties*

The values shown in the table above relate to the related parties listed below:

Group A - parent companies and shareholders:

- Asco Holding S.p.A.

Group B - Subsidiaries:

- AP Reti Gas S.p.A.
- AP Reti Gas Nord Ovest S.p.A.
- Asco Wind & Solar S.r.l.
- Green Factory S.r.l.
- Cart Acqua S.r.l.
- Asco Power S.p.A.

Group C - Associated and jointly controlled companies:

- ASM Set S.r.l.
- Estenergy S.p.A.
- Etra Energia S.r.l.

Group D - other related parties:

- Acantho S.p.A.
- Hera Comm S.p.A.
- Bim Piave Nuove Energie S.r.l.
- Acinque S.p.A.
- Board of Directors
- Mayors
- Strategic managers

Statement of Cash Flows

(Thousands of Euro)	FY 2024	of which related parties A	B	C	D	Totale	FY 2023	of which related parties A	B	C	D	Totale
Cash flows generated (used) by operating activities												
Total comprehensive income	**28,403**						**35,779**					
Adjustments to reconcile net income to net cash generated (used) by operating activities:												
Income taxes	(3,503)					**0**	(4,524)					
Net Financial expense/income	8,662						9,009					
Equity-Settled Share-Based Payment Transactions	81						0					
Depreciation and amortization	1,462						1,540					
Capital (gains) / losses on sharehodings disposal	0						(3,609)					
Change in employee benefits	152						8					
Net change in other funds and other non monetary items	(442)						(3,300)					
Dividends from equity investments	(42,606)						(44,329)					
Variations in assets and liabilities												
Trade receivables	840	(13)	(479)	34	(33)	**(491)**	8,519	(17)	247	(5,125)	(94)	**(4,989)**
Other current assets	(309)	0	(6,846)	0	0	**(6,846)**	959	0	10,704	0	0	**10,704**
Other non-current assets	(1,518)	0	0	0	0	**0**	22	0	0	0	0	**0**
Trade payables	210	(4)	771	0	0	**767**	117	21	(606)	104	59	**(423)**
Other current liabilities	9,712	0	(1,475)	0	0	**(1,475)**	4,881	0	(1,201)	0	0	**(1,201)**
Other non-current liabilities	(8,142)	0	0	0	0	**0**	434	0	3	0	0	**3**
Taxes paid	(2,761)					**0**	(453)					**0**
Interests paid	(6,950)						(6,467)					
Cash flows generated (used) by operating activities	**(16,709)**	**(17)**	**(8,029)**	**34**	**(33)**	**(8,045)**	**(1,414)**	**4**	**9,146**	**(5,021)**	**(35)**	**4,093**
Cash flows generated (used) by investments												
Investments in property, plant and equipment	(796)					**0**	(388)					**0**
Purchase of financial assets	(32,000)	0	27,490	0	0	**27,490**	99,023	**0**	16,600	(133,891)	19,001	**(98,291)**
Dividends received	42,606					**0**	44,329					
Cash flows generated/(used) by investments	**9,810**	**0**	**27,490**	**0**	**0**	**27,490**	**142,964**	**0**	**16,600**	**(133,891)**	**19,001**	**(98,291)**
Cash flows generated (used) by financial activities												
Increase / (decrease) on credit lines	41,149	0	(25,687)	0	0	**(25,687)**	(7,331)	**0**	100,532	0	0	**100,532**
(Repayment) / New lease laiabilites	(43)					**0**	106					**0**
New loans and borrowings	324,000					**0**	660,000					**0**
Repayment of loans and borrowings	(338,915)					**0**	(794,000)					**0**
Purchase of treasury shares	(647)					**0**						**0**
Dividends paid	(30,339)					**0**	(28,172)					**0**
Cash flows generated (used) by financial activities	**(4,796)**	**0**	**(25,687)**	**0**	**0**	**(25,687)**	**(169,398)**	**0**	**100,532**	**0**	**0**	**100,532**
Net change in cash and cash equivalent	**(11,694)**					**0**	**(27,848)**					**0**
Cash and cash equivalents at the beginning of the year	**43,033**					**0**	**70,881**					**0**
Net change in cash and cash equivalent	(11,694)					**0**	(27,848)					**0**
Cash and cash equivalents at the end of the year	**31,338**					**0**	**43,033**					**0**

Related party column header legend:

***A** Parent companies and shareholders*
***B** Subsidiaries*
***C** Associated and jointly controlled companies*
***D** Affiliated companies and other related parties*

The values shown in the table above relate to the related parties listed below:

Group A - parent companies and shareholders:

- Asco Holding S.p.A.

Group B - Subsidiaries:

- AP Reti Gas S.p.A.
- AP Reti Gas Nord Ovest S.p.A.
- Asco Wind & Solar S.r.l.
- Green Factory S.r.l.
- Cart Acqua S.r.l.
- Asco Power S.p.A.

Group C - Associated and jointly controlled companies:

- ASM Set S.r.l.
- Estenergy S.p.A.
- Etra Energia S.r.l.

Group D - other related parties:

- Acantho S.p.A.
- Hera Comm S.p.A.
- Bim Piave Nuove Energie S.r.l.
- Acinque S.p.A.
- Board of Directors
- Mayors
- Strategic managers

Representation by category of financial assets and liabilities

Here below the breakdown by category of financial assets and liabilities and their fair value (IFRS 13) at 31 December 2024 and 31 December 2023:

					31.12.2024	
(Thousands of Euro)	A	B	C	D	Total	Fair value
Shareholdings in other companies		97,255			97,255	97,255
Other non-current assets			2,040		2,040	2,040
Non current financial assets			1,781		1,781	1,781
Trade receivables and other current assets			14,099		14,099	14,099
Current financial assets			146,841		146,841	146,841
Cash and cash equivalents			31,338		31,338	31,338
Current assets from derivative financial instruments		1,582			1,582	1,582
Long term outstanding bonds				78,805	78,805	78,805
Non-current bank loans				208,852	208,852	208,852
Other non-current liabilities				16	16	16
Non-current financial liabilities				53	53	53
Payables due to banks and financing institutions				100,576	100,576	100,576
Trade payables and other current liabilities				11,326	11,326	11,326
Current financial liabilities				36,451	36,451	36,451
Current liabilities from derivative financial instruments		908			908	908

					31.12.2023	
(Thousands of Euro)	A	B	C	D	Total	Fair value
Shareholdings in other companies		97,255			97,255	97,255
Other non-current assets			19		19	19
Non current financial assets			2,149		2,149	2,149
Trade receivables and other current assets			13,384		13,384	13,384
Current financial assets			162,732		162,732	162,732
Cash and cash equivalents			43,033		43,033	43,033
Current assets from derivative financial instruments		4,689			4,689	4,689
Long term outstanding bonds				86,347	86,347	86,347
Non-current bank loans				174,329	174,329	174,329
Other non-current liabilities				11	11	11
Non-current financial liabilities				71	71	71
Payables due to banks and financing institutions				137,165	137,165	137,165
Short term outstanding bonds				7,708	7,708	7,708
Trade payables and other current liabilities				8,686	8,686	8,686
Current financial liabilities				25,759	25,759	25,759
Current liabilities from derivative financial instruments		2,747			2,747	2,747

Legend

A - Assets and liabilities at *fair value* through profit or loss

B - Assets and liabilities at *fair value* through equity (including hedging derivatives)

C - Loans and receivables (including cash and cash equivalents)

D - Financial liabilities recognised at amortised cost

Fees to the Auditing Company

Pursuant to Article 149-duodecies of the Consob Issuers' Regulations, the table below shows the fees for the financial year 2024 for audit and non-audit services rendered by the audit firm itself. There are no services rendered by entities belonging to its network.

Type of services	Entity providing the service	Recipient	Fees (Thousand of Euro)
Audit	KPMG S.p.A.	Ascopiave S.p.A.	70
Audit Half-Year Financial Report	KPMG S.p.A.	Ascopiave S.p.A.	11
Corporate Sustainability Reporting Directive	KPMG S.p.A.	Ascopiave S.p.A.	90
Consob	KPMG S.p.A.	Ascopiave S.p.A.	16
Other services	KPMG S.p.A.	Ascopiave S.p.A.	3
Total			**190**

Commitments and risks

Guarantees given
The company has provided the following contingent guarantees as at 31 December 2024:

(Thousands of Euro)	31.12.2024	31.12.2023
On credit lines	8,067	6,307
Patronage to cover the obligations deriving from the related relationships	7,886	10,798
On execution of works (letter of comfort)	3,345	3,849
On UTF offices and regions for taxes on gas (letter of comfort)	0	1,850
On distribution concession (letter of comfort)	2,846	2,731
On renewable energy production plants	6,065	6,048
Total	**28,209**	**31,583**

Ascopiave S.p.A. received an active guarantee from Hera S.p.A., equal to Euro 962 thousand, in relation to sureties issued by the affiliate Estenergy S.p.A. to the technical finance offices and regions for consumption taxes on natural gas

Risk hedging policies

Information on agreements not shown in the balance sheet
Pursuant to Article 2427, paragraph 1, item 22-ter of the Italian Civil Code, introduced by Legislative Decree 173 on 23 November 2008, we report that the company does not have any agreements that are not reflected in the balance sheet.

Financial risk management: objectives and criteria
Ascopiave S.p.A.'s main financial liabilities include bank loans, the bond loan, short-term negative bank balances and hire purchase agreements. The main purpose of these liabilities is to finance operating activities. Ascopiave S.p.A. has various financial assets such as cash and short-term bank and postal deposits, which derive directly from operating activities.
The main risks generated by Ascopiave S.p.A.'s financial instruments are interest rate risk and liquidity risk. The Board of Directors reviews and agrees policies to manage these risks, as summarised below.

Risk

Ascopiave S.p.A. manages its liquidity needs by means of temporary credit lines and short-term loans at variable rates that, due to their continuous fluctuation, do not allow for easy hedging relative to interest rate risk. In addition, the Company manages its liquidity needs through medium/long-term loans with application of fixed and variable rates as well as through the issue of bonds with application of fixed rates.

The medium- and long-term bank loans managed by Ascopiave S.p.A., regulated at both variable and fixed rates, present a residual debt as of 31 December 2024 equal to Euro 264,896 thousand and maturities between 1 January 2025 and 30 September 2030.

The medium/long-term bank loans at variable interest rates are repayable between 2025 and 2029, and as of 31 December 2024 had a total residual debt of Euro 224,565 thousand (Euro 202,393 thousand as of 31 December 2023), of which Euro 8,000 thousand was hedged through the subscription of financial derivatives, for which the interest rate risk was therefore sterilised.

It should be noted that as of 31 December 2024, the derivative instruments hedging the risk of changes in interest rates, relative to the loans underwritten with BNL and Credit Agricole - Friuladria, detailed in the paragraph "Current assets on derivative financial instruments", showed an overall positive mark-to-market of Euro 251 thousand and were effective.

The loans signed with BNL and Cassa Centrale Banca, with residual debt at year-end of Euro 40,331,000, and the bond loan with residual debt at 31 December 2024 of Euro 87,222,000, are not exposed to interest rate risk, as they provide for the application of a fixed rate.

The loans represented are subject to financial covenants, which were met as at 31 December 2024.

For further details, please refer to the sections 'Long-term Bonds Outstanding', Non-current bank loans and 'Short-term Bonds Outstanding'.

Sensitivity analysis to risk

The table below shows the sensitivity of the Company's pre-tax profit to reasonably possible changes in interest rates, holding all other variables constant.

(Thousands of Euro)	I qtr 2024	II qtr 2024	III qtr 2024	IV qtr 2024	
Average Net Financial Position	(225,132)	(241,365)	(253,379)	(252,239)	
Borrowing rates of interest	2.87%	3.35%	3.39%	3.38%	
Lending rates of interest	3.29%	3.31%	3.34%	3.14%	
Borrowing rate of interest plus 200 basis points	4.87%	5.35%	5.39%	5.38%	
Lending rates of interest plus 200 basis points	5.29%	5.31%	5.34%	5.14%	
Borrowing rate of interest reduced of 50 basis points	2.37%	2.85%	2.89%	2.88%	
Lending rates of interest reduced of 50 basis points	2.79%	2.81%	2.84%	2.64%	
NFP recalculated with the increase of 200 basis points	(226,243)	(242,568)	(254,656)	(253,510)	
NFP recalculated with decrease of 50 basis points	(224,855)	(241,064)	(253,060)	(251,921)	Total
Effect on pre-tax result of the increase of 200 basis points	(1,110)	(1,204)	(1,277)	(1,272)	(4,863)
Effect on pre-tax result of the decrease of 50 basis points	278	301	319	318	1,216

The sensitivity analysis, obtained by simulating a change in interest rates applied to the Company's credit lines equal to 50 basis points down (with a minimum limit of zero basis points), and equal to 200 basis points up, keeping all other variables constant, leads to an estimate of an effect on pre-tax profit between a worsening of Euro 4,863 thousand (2022: Euro 6,912 thousand) and an improvement of Euro 1,216 thousand (2022: Euro 1,728 thousand).

Credit risk policies

Credit risk represents the Company's exposure to potential losses arising from the failure of counterparties to fulfil their obligations. The non-payment or delayed payment of fees due could negatively affect the Company's economic results and financial equilibrium.
Given Ascopiave S.p.A.'s type of business, this risk is not particularly significant.

Liquidity risk

Ascopiave S.p.A. constantly pursues the maintenance of balance and flexibility between financing sources and uses, acting as the Group's treasury manager.
The two main factors influencing Ascopiave S.p.A.'s liquidity are, on the one hand, the resources generated or absorbed by operating or investing activities, and, on the other, the maturity and renewal characteristics of debt.
The breakdown of medium- and long-term debt by maturity as at 31 December 2024 is shown in Note 18.
Liquidity requirements are monitored by the treasury function of Ascopiave S.p.A. with a view to guaranteeing an effective retrieval of financial resources or an adequate investment of any liquid assets.
The directors believe that the funds and lines of credit currently available, in addition to those that will be generated by operating and financing activities, will enable them to meet the needs arising from investment operations, working capital management and the repayment of debts at their natural due dates.

Capital Management

The primary objective of Ascopiave S.p.A.'s capital management is to ensure that a solid credit rating and adequate capital indicator levels are maintained. Ascopiave S.p.A. may adjust dividends paid to shareholders, reimburse capital or issue new shares.
Ascopiave S.p.A. verifies its capital by means of a debt-to-capital ratio, i.e., the ratio of net debt to total capital plus net debt. Ascopiave S.p.A.'s net debt includes interest-bearing loans, trade and other payables, net of cash and cash equivalents.

(Thousands of Euro)	31.12.2024	31.12.2023
Short-term net financial position	34,220	41,564
Medium / long-term net financial position	285,928	172,251
Net Financial Position	**251,708**	**213,815**
Share capital	234,412	234,412
Treasury shares	(55,987)	(55,423)
Reserves	628,471	623,678
Undistributed net profit	28,403	35,779
Total Net equity	**835,298**	**838,445**
Total sources of funding	**1,087,006**	**1,052,260**
Net financial position / Net equity ratio	**0.30**	**0.26**

Hedging policies for risks related to interest rate fluctuations

The Company is exposed to the risk of interest rate fluctuations mainly in relation to short-term debts and for the portion of medium- and long-term loans at variable interest rates to banking institutions.

Significant events subsequent to the end of the 2024 financial year

Shareholders' agreements - updating of voting rights

On 7 January 2025, pursuant to the laws and regulations in force, Ascopiave S.p.A. informed that an updated version of the key information concerning the shareholders' agreement signed on 16 March 2020 was published in the Corporate Governance section of the website www.gruppoascopiave.it.

Ascopiave S.p.A. announced that this update exclusively concerns the change in the number of voting rights held by certain signatory shareholders as a result of the intervening increases in voting rights, as communicated by Ascopiave S.p.A. on 7 June 2024 and 5 July 2024.

Pursuant to Articles 65-quinquies, 65-sexies and 65-septies of the Issuers' Regulations, the document has been made available to the public at the company's registered office, at Borsa Italiana S.p.A., on Teleborsa S.r.l.'s authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com), as well as in the Corporate Governance section of the website www.gruppoascopiave.it.

The Board of Directors approved the Group's Strategic Plan 2025-2028

The Board of Directors of Ascopiave S.p.A., which met on 13 February 2025 under the chairmanship of Nicola Cecconato, approved the Group's 2025-2028 strategic plan. It outlines a path of sustainable growth in the core businesses of gas distribution and renewable energy, enhancing the impact of investment initiatives already underway and with high visibility. These include the acquisition from the A2A Group of a number of gas distribution concessions in Lombardy, which should be finalised in July 2025 and will allow Ascopiave to further strengthen its presence in a regulated business with significantly stable profit margins.

The development will take place under conditions of a balanced financial structure, ensuring a remunerative and growing dividend distribution. The dividend payout forecast is 15 cents per share for the financial year 2024, increasing by 1 cent per share in the following years until 2028.

The plan is based on four fundamental strategic pillars: growth in core businesses, diversification into synergetic sectors, economic and operational efficiency and innovation. The Group's strategy aims to pursue sustainable business success, integrating environmental, social and economic sustainability aspects, and is oriented towards the goal of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders.

Tender for sale of the shareholding of the Province of Treviso in Acantho S.p.A.

On 24 February 2025, following the results of the Public Auction for the sale of the entire shareholding of the Province of Treviso held in Acantho S.p.A., Ascopiave S.p.A. was provisionally awarded the bid at a total price of Euro 3.4 million.

Litigation

DISPUTES ON PLANT VALUE - CIVIL JURISDICTION
As at 31 December 2024, there are no pending litigations.

ADMINISTRATIVE DISPUTES - NOT RELATING TO CONCESSIONS
As at 31 December 2024, the following are pending:

ARERA DELIBERA ARG/GAS 570/2019 and DELIBERA 117/2021/R/gas
An appeal to the Regional Administrative Court for Lombardy - Milan, brought ARERA by Ascopiave S.p.A. together with its subsidiary AP Reti Gas S.p.A. (together with other leading gas distribution service operators), for the annulment of Resolution 570/2019/R/gas, concerning the "*tariff regulation of gas distribution and metering services for the period 2020-2025*". The new regulatory discipline provides for a strong and unjustified reduction of tariff items to cover the operating costs recognised to distributors. The appeal was filed on 25 February 2020.
With an appeal on additional grounds, filed within the terms of the appeal (24 May 2021), an appeal was also filed against ARERA Resolution No. 117/2021/R/gas published on 23 March 2021, setting forth the "*Determination of the definitive reference tariffs for gas distribution and metering services, for the year 2020*", considering that the measure, being part of the determinations consequent to the tariff regulation set forth in Resolution No. 570/2019, may be further detrimental to the Group's distribution companies.
At present, there are no further court proceedings.

Relations with the Internal Revenue Service

ROBIN TAX
The companies Ascopiave, Ap Reti Gas Rovigo, Edigas Esercizio Distribuzione Gas, Unigas Distribuzione (merged into Ascopiave) and Asco Energy (ex. Veritas Energia) starting from the year 2008 were subject to the additional IRES (Robin Tax) introduced by Article 81 DL. 112/2008. Subsequently, in the course of 2015, the Constitutional Court declared the constitutional illegitimacy of the aforementioned tax and following this ruling, the companies requested the refund of the tax unduly paid, filing the various appeals on the basis of a retroactive interpretation of the aforementioned ruling, also supported by an opinion formulated by a constitutional lawyer.
Subsequent to negative rulings by the respective Regional Tax Commissions, the companies appealed to the Supreme Court of Cassation.
In March 2022, the first negative orders were communicated, with the rejection by the Constitutional Court of the appeal promoted by AP Reti Gas Rovigo and Edigas Esercizio Distribuzione Gas, which proceeded with the presentation of the appeal to the European Court of Human Rights. In October 2024, the rejection by the Constitutional Court of the appeal promoted by Ascopiave and Asco Energy was announced.

VENETO REGIONAL DIRECTORATE AUDIT
In the month of September 2019, a proceeding was filed against Ascopiave S.p.A. and Ascotrade S.p.A. (the latter merged into EstEnergy S.p.A. with effect from 1 October 2022) by the Veneto Regional Directorate of the Revenue Agency in relation to the Ires, Irap and Iva sectors with respect to the years ranging from 2013 until the date of access. The first stage of the audit operations led to the issuance on 29 October 2019 of a Formal Notice of Findings against Ascotrade S.p.A., a company sold on 19 December 2019 to the Hera Group and subject to a specific guarantee, containing findings regarding direct and indirect taxes related to the years 2013 and 2014. With sentence No. 577/2023 issued by the Veneto Court of Tax Appeals of second instance, the company obtained the definitive annulment of the assessment acts, a sentence not appealed by the losing Revenue Agency.
With reference to subsequent accounting periods, the audit operations continued with the issuance on 29 September 2020, against Ascotrade S.p.A, of the Formal Notice of Assessment referring to the year 2015, following which, subsequent to the presentation of specific pleadings, the Inland Revenue issued on 23 December 2020 the notices of

assessment, which were subsequently appealed by the company before the Provincial Tax Commission of Venice, accepted with the sentence dated 23 February 2022, which provided for the annulment of the relative contested acts. On 15 November 2022, the Revenue Agency filed an appeal, discussed on 12 July 2024, which was then rejected by the Veneto Court of Second Instance Tax Court with sentence no. 751/2024, which ordered the Revenue Agency to pay the costs of the litigation.
On 23 December 2021, Ascotrade S.p.A. was served notices of assessment relating to Ires for the years 2016 and 2017, as well as Irap and VAT for the years 2016, 2017 and 2018, for which an appeal was filed on 18 February 2022. On 04 July 2023 the Tax Court of First Instance of Venice filed ruling no. 315/2023 in which accepted the appeal, providing for the annulment of the relevant contested acts. On 2 February 2024, the Revenue Agency filed an appeal, discussed on 12 July 2024, which was then rejected by the Veneto Court of Tax Justice of second instance with ruling no. 752/2024, which ordered the Revenue Agency to pay the costs of the litigation.
On 13 December 2023, EstEnergy (following the merger of Ascotrade S.p.A.) was served a notice of assessment relating to IRES, IRAP and VAT for the 2019 tax year, for which an appeal has been filed. To date, no hearing has yet been set for the hearing of the appeal. Finally, on 31 December 2024, the notice of assessment relating to IRES, IRAP and VAT for tax year 2020 was served.
The company, with the support of its tax advisor, considers the risk as 'possible' or 'remote' and therefore has not made any allocation.

Proposals of the Board of Directors to the Shareholders' Meeting

The Board of Directors of Ascopiave S.p.A., in view of the result for the financial year and the solidity of the Group's equity and financial structure, will propose to the Shareholders' Meeting the distribution of a dividend of Euro 0.15 per share, for a total of Euro 32.5 million, the amount calculated on the basis of the shares in circulation at the closing date of the 2024 financial year.
Ascopiave S.p.A. herein announces that, if approved on the first call of the shareholders' meeting, the dividend will be disbursed on 7 May 2025 with ex-dividend date on 5 May 2025 (record date 6 May 2025).
The Board of Directors will not propose the allocation of any amount to the legal reserve, it being equivalent to one fifth of the share capital.

Pieve di Soligo, 6 March 2025

The Chairman of the Board of Directors
Dr Nicola Cecconato

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

pursuant to Article 123-bis TUF
(traditional administration and control model)

Issuer: Ascopiave S.p.A.
Website: *www.gruppoascopiave.it*
Reference financial year of the Report: 2024
Date of approval of the Report: 6 March 2025

CONTENTS

GLOSSARY

Corporate Governance Code or CG Code: the Corporate Governance Code of listed companies approved in January 2020 by the Corporate Governance Committee.
Cod. civ. or c.c.: the Civil Code.
CG Committee or Corporate Governance Committee: the Italian Committee for the Corporate Governance of Listed Companies, promoted not only by Borsa Italiana S.p.A., but also by ABI, Ania, Assogestioni, Assonime and Confindustria.
Board or Board of Directors: the Board of Directors of the Issuer.
Issuer or Company: the issuer of securities referred to in the Report.
Financial Year: the accounting period year to which the Report refers.
ESRS: The sustainability reporting principles defined in Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023.
Group: Ascopiave Group.
Stock Exchange Regulation Instructions: Instructions to the Regulation of markets organised and managed by Borsa Italiana S.p.A.
Market Abuse Regulation or MAR: Regulation (EU) No 596/2014 of the European Parliament and of the Council of the European Union dated 16 April 2014, as amended, and its Implementing Regulations.
Regulation of the Board of Directors, Lead Independent Director and Internal Board Committees: the regulation adopted by the Board of Directors of Ascopiave S.p.A. on 11 November 2021.
Stock Exchange Regulation: the Regulation of the markets organised and managed by Borsa Italiana S.p.A.
Consob Regulation on Issuers: the Regulation issued by Consob with Resolution No. 11971 of 1999 (as subsequently amended) on issuers.
Consob Market Regulation: the Regulation issued by Consob with Resolution No. 20249 of 2017 on markets.
Consob Related Parties Regulation or RPT Regulation: the Regulation issued by Consob with resolution no. 17221 dated 12 March 2010 (as subsequently amended) concerning related party transactions.
Report: the report on corporate governance and structures that companies are required to prepare and publish pursuant to Article 123-bis of the Consolidated Law on Finance.
Remuneration Report: the report on remuneration policy and compensation paid that companies are required to prepare and publish pursuant to Article 123-ter TUF and 84-quater Consob Regulation on Issuers.
Consolidated Sustainability Report: the consolidated sustainability report of the Ascopiave Group prepared in accordance with Legislative Decree No. 125/2024.
Testo Unico della Finanza, Consolidated Law on Finance or TUF: Legislative Decree No. 58 dated 24 February 1998, as amended.

Where not otherwise specified, the CG Code of the following roles are defined by reference: **directors, executive directors [see Q. Def. (1) and Q. Def. (2)], independent directors, significant shareholder, chief executive officer (CEO), board of directors, control body, business plan, concentrated ownership company, large company, sustainable success.**

1. ISSUER PROFILE

The Ascopiave Group is one of the leading national operators in the natural gas distribution sector, managing the service in 301 municipalities in northern Italy, through a network of over 14,700 km with approximately 870,000 users.
The Group is also active in the renewable energy and integrated water service sectors and holds minority interests in companies operating in energy marketing and utilities.
In the renewable energy sector, Ascopiave manages 29 hydroelectric and wind power plants, with a nominal capacity of 84.1 MW.
The Group holds minority interests in companies in energy marketing (EstEnergyS.p.A. and Hera Comm S.p.A.), utilities (Acinque S.p.A.) and in information and communication technology (Acantho S.p.A.).
Ascopiave has been listed on the Euronext Star Milan segment of the Italian Stock Exchange since 12 December 2006.

During the Financial Year, it should be noted that Ascopiave S.p.A. and the Group's distribution companies AP Reti Gas S.p.A., AP Reti Gas Rovigo S.r.l., Edigas S.p.A., AP Reti Gas Vicenza S.p.A., AP Reti Gas Nord Est S.r.l., Romeo Gas S.p.A. and Serenissima Gas S.p.A, in order to rationalise the structure of the Group, have implemented a plan for mergers and demergers in favour of AP Reti Gas S.p.A. and AP Reti Nord Ovest S.p.A. (formerly Romeo Gas S.p.A.), effective for civil law purposes as at 11:59 p.m. on 31/12/2024 and for accounting/fiscal purposes as at 01/01/2024; moreover, with the same civil and accounting/fiscal effect, it is hereby reported that, with reference to the subsidiaries operating in the renewable energy sector, the company Asco Renewables S.p.A. was merged by incorporation into Asco EG S.p.A., which subsequently changed its company name to Asco Power S.p.A, and the subsidiary Salinella Eolico S.r.l. changed its company name to Asco Wind & Solar S.p.A.

The Issuer is organised according to the traditional administration and control model as envisaged in Article 2380 bis et seq. of the Italian Civil Code, with the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors as well as, separately, the auditing company (external body).

During the Financial Year, Ascopiave S.p.A. placed the pursuit of the goal of "sustainable success" at the centre of its corporate culture and corporate governance system.
Also to this end, it should be noted that on 15 January 2021, the Issuer's Board of Directors formally adhered to the new Corporate Governance Code, which, in Principle I, promotes "sustainable success".

It should also be noted that the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 29 April 2021 resolved on certain amendments to the Company's Articles of Association, including the goal of "sustainable success" in the corporate purpose. In particular, the Shareholders' Meeting resolved to amend the Articles of Association in order to broaden the scope of the activities that constitute the Company's corporate purpose, mainly to expressly include in the corporate purpose certain activities concerning the so-called "energy transition", which are proposed to accompany the core activities carried out by the Company, in line with the objectives envisaged in the Group's strategic plan approved by the Board of Directors on 15 January 2021 (the "2020-2024 Strategic Plan"). The Issuer's Articles of Association are published on the Company's website (*www.gruppoascopiave.it* "*Corporate Governance*" section).

It should be recalled that on 31 January 2022, the Board of Directors of Ascopiave S.p.A. approved the “2021-2025 Strategic Plan”. This plan confirms the four strategic guidelines already indicated in the plan approved in 2021: growth in the core business of gas distribution, diversification into synergistic sectors, economic and operational efficiency, and innovation.
Subsequently, on 9 February 2023, the Board of Directors of Ascopiave S.p.A. approved the “Strategic Plan 2022-2026”, confirming the four strategic guidelines already indicated in the plan approved in 2022: growth in core businesses, diversification into synergic sectors, economic and operational efficiency, and innovation. During the Financial Year, the Board of Directors approved the “Strategic Plan 2024-2027” on 18 March 2024 confirming the four strategic directions already stated in the plan approved in 2023: growth in core businesses, diversification into synergistic sectors, economic and operational efficiency, and innovation.
The Group’s strategy aims to pursue sustainable business success, integrating environmental, social and economic sustainability aspects, and is oriented towards the goal of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders.
After the end of the Financial Year, the Board of Directors approved the “Strategic Plan 2025-2028” on 13 February 2025, confirming the four strategic directions already indicated in the plan approved in 2024.

On 10 September 2021, the Board of Directors of Ascopiave S.p.A. also updated the Ascopiave Group’s Code of Ethics, adopted in its first version on 14 May 2013, including, among other matters, the alignment of the definition of “sustainable success” (the Group’s mission) with the corporate purpose of the Articles of Association, as well as the revision of the order in which the Group’s values are ranked, giving priority to the issue of sustainability and respect for and enhancement of personnel.
The full description of Ascopiave’s mission is envisaged in the “Code of Ethics of the Ascopiave Group” published on the Company’s website (*www.gruppoascopiave.it* “*Corporate Governance*” section).

On 11 November 2021, the Board of Directors of Ascopiave S.p.A. adopted the “Regulation of the Board of Directors, Lead independent director and Internal Board Committees”, which is aligned with the Corporate Governance Code with reference to the provisions on sustainability and established the Sustainability Committee, an Internal Board Committee with investigative functions, of a propositional and advisory nature, in the Company’s assessments and decisions on environmental, social and economic sustainability and energy transition. This document is published in full on the Company’s website (*www.gruppoascopiave.it* “*Corporate Governance*” section).

On 22 December 2021, the Board of Directors of Ascopiave S.p.A. approved the “Policy for managing dialogue with shareholders and other stakeholders”, a document published in its entirety on the Company’s website (*www.gruppoascopiave.it* section “*Corporate Governance*” and in the “*Investor relations*” section).

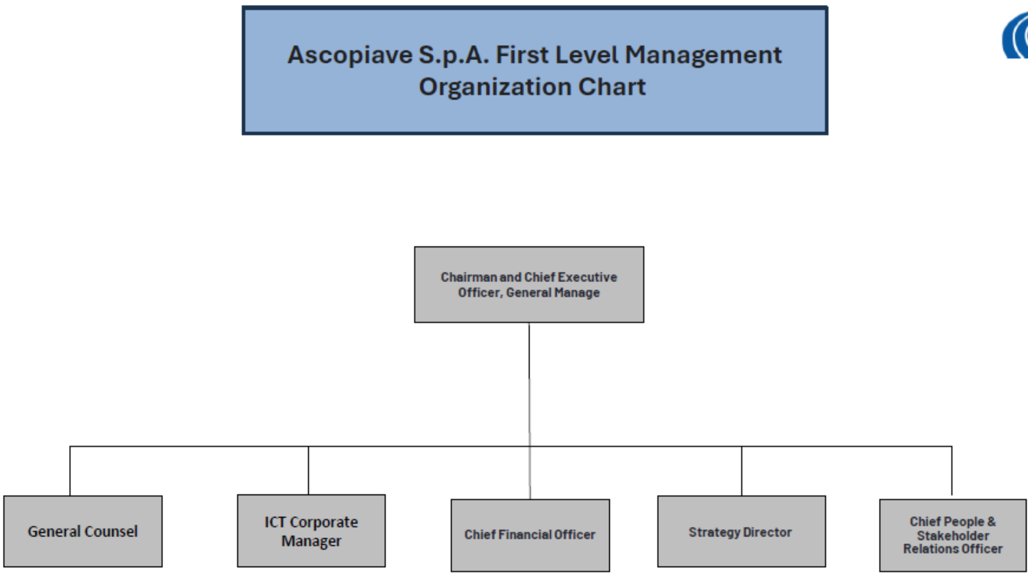
Please note that in the “Guidelines on the exercise of management and coordination powers by Ascopiave”, updated in September 2020, the objectives of sustainable social, environmental and economic development were confirmed, specifying that “Ascopiave S.p.A. adopts a growth strategy that pursues both objectives of increasing the economic value of the company and objectives of sustainable social and environmental development”.

During Financial Year 2023, the subsidiary Asco Wind & Solar S.r.l. (then Salinella Eolico S.r.l.) signed an ESG loan with Banca Iccrea, through the form of Project Finance, worth approximately Euro 24.5 million, while during the Financial Year the ESG parameters were defined on the basis of which to update the interest rate to be applied to a loan of Euro 100 million signed by the parent company with Intesa Sanpaolo at the end of 2023. During the Financial Year, the following bank loans were also underwritten by the parent company, with the rate dependent on certain ESG parameters: Euro 30 million with Credit Agricole, Euro 100 million with Unicredit and Euro 50 million with Mediobanca.

During the Financial Year, the Board of Directors of Ascopiave S.p.A. managed its business activities by pursuing sustainable success, i.e. the creation of long-term value for the benefit of shareholders, taking into account the interests of the Company's other relevant stakeholders. Furthermore, pursuant to Principle II of the CG Code, the Board has defined the strategic and supervisory guidelines for the Company and the Group companies, consistent with Principle I of the CG Code, monitoring their implementation.

Please refer to the specific Sections of this Report where the following are illustrated: (i) how the goal of sustainable success is integrated into strategies (see Section 4.1), remuneration policies (see Section 8) and the internal control and risk management system (see Section 9); (ii) the corporate governance measures specifically adopted in this regard (see Section 6).

The following is a representation of the organisational structure of the Issuer as at the date of this Report, noting that the names of executives with strategic responsibilities, as defined pursuant to Consob Regulation on Related Party Transactions No. 17221 of March 12, 2010, as amended, can be found in the "Corporate Governance" section of the Company's website (*www.gruppoascopiave.it*):



With reference to the Financial Year, the profiles relating to the sustainability of the Issuer are mandatorily described in the Ascopiave Group's Consolidated Sustainability Report prepared pursuant to Legislative Decree No. 125/2024 and included in the specific section of the management report within the annual financial report as at December 31, 2024, a document available on the Company's website (*www.gruppoascopiave.it* section "*Investor relations*")..

It should also be noted that during the Financial Year, the "Sustainability Report 2023" was also published in the "Sustainability" section of the Company's website, a document approved by the Board of Directors of Ascopiave S.p.A. in the meeting of April 12, 2024, subject to the positive opinion of the Sustainability Committee.

As at the date of approval of this Report, Ascopiave S.p.A. was an SME pursuant to the definition identified by Article 1, paragraph 1, letter w-quater.1), of the Consolidated Law on Finance and regulated by the implementing provisions envisaged in Article 2-ter of the Issuers' Regulation. Therefore, Ascopiave S.p.A. is included in the list of issuers of listed "SME" shares published on CONSOB's institutional website (https://www.consob.it/web/area-pubblica/emittenti-quotati-pmi).

It is hereby noted that on January 15, 2021, at the same time as formally adhering to the CG Code, the Board of Directors of Ascopiave S.p.A. evaluated the Company's classification as a "non-major concentrated ownership company" with respect to the CG Code categories. In addition, the Board assessed the simplification options that could be implemented with reference to this category of Company, according to the proportional approach introduced by the CG Code.
In particular, the proportionality measures related to the status of "non-major concentrated ownership company" adopted by the Company include: (i) the provision, within the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", of the obligation of self-assessment on a three-yearly (and not annual) basis; (ii) the decision not to adopt, at present, a succession plan for directors, but rather to adopt a "Contingency plan" (as approved by the Board on 11 November 2021); (iii) the decision not to set up an ad hoc appointments committee. The corporate governance choices implemented by the Company during the Financial Year, with particular regard to the proportional approach introduced by the new CG Code, where applicable, are described in the specific sections of this Report, to which reference should be made.

The Corporate Governance and Share Ownership Report and the Articles of Association are available on the Company's website (*www.gruppoascopiave.it*).

2. INFORMATION ON OWNERSHIP ASSETS (pursuant to Art. 123 bis, paragraph 1, TUF) as at 31/12/2024

a) Share capital structure

Amount of subscribed and paid-up share capital: Euro 234,411,575.00.

Categories of shares making up the share capital and voting rights as at 31/12/2024:

SHARE CAPITAL STRUCTURE				
	No. of shares	**No. of voting rights**	**Listed (indicate markets) / unlisted**	**Rights and obligations**
Ordinary shares (***the mechanism of increased voting rights is envisaged***)	234,411,575	395,838,283	Euronext Star Milan	Each share entitles the holder to one vote. In the event that the right to vote has become effective, each share gives the right to two votes. The shareholders' rights and obligations are those envisaged in Articles 2346 et seq. of the Italian Civil Code and the Articles of Association.
Preference shares	–	–	–	–
Multiple-voting shares	–	–	–	–
Other categories of shares with voting rights	–	–	–	–
Savings shares	–	–	–	–
Convertible savings shares	–	–	–	–
Other non-voting share classes	–	–	–	–
More	–	–	–	–

It should be noted that the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 23 April 2019 approved to amend Article 6 of the Issuer's Articles of Association in order to provide for the mechanism of the voting right increase, pursuant to Article 127-quinquies of the Consolidated Law on Finance. For more information on the institution of increased voting rights introduced in the Articles of Association of Ascopiave S.p.A., please refer to the section "*Securities conferring special rights*" in Section 2 of this Report.

Please note that during the Financial Year, specifically on June 7, 2024, and most recently on July 5, 2024, the increases in voting rights of ordinary shares of the Company became effective, pursuant to Article 127-quinquies of the Consolidated Law on Finance and Article 6 of the Articles of Association of Ascopiave S.p.A. Therefore, as at 31 December 2024, the total number of ordinary shares of Ascopiave S.p.A. with increased voting rights was 161,426,708 shares.

In particular, it should be noted that Article 6 of the Company's Articles of Association provides that each share owned by the same shareholder for a continuous period of at least 24 months from the

date of its registration in the Special List established pursuant to Article 6.8 of the Articles of Association is attributed two votes. The person in charge of managing the Special List was also appointed.
It should also be noted that, during the Financial Year, with reference to the vesting of increased voting rights in certain shareholders, the Company has published the relevant press releases concerning the disclosure of the total amount of voting rights updated pursuant to Article 85-bis, paragraph 4-bis, of the Issuers' Regulations in the "Investor Relations" section of the website.
Please also refer to the information published on the Company's website (*www.gruppoascopiave.it*, "Corporate Governance" section) for updates on shareholders with a shareholding of more than 5% of the voting capital who are included in the Special List for entitlement to the benefit of enhanced voting rights (https://www.gruppoascopiave.it/corporate-governance/voto-maggiorato), as well as for the updated situation of the Company's shareholding and voting capital (https://www.gruppoascopiave.it/corporate-governance/azionatario).

Shares are indivisible and give the holders equal rights, except for treasury shares for which this right is suspended as long as they remain the property of Ascopiave S.p.A.

As at the date of approval of this Report, there were no rights to subscribe for newly issued shares.

Although it does not represent an incentive plan involving increases, even free of charge, in the share capital, it should be noted that the Shareholders' Meeting of 18 April 2024 approved a share-based long-term incentive plan for the three-year period 2024-2026 ("LTI 2024-2026 Share-based Long-Term Incentive Plan"), reserved for executive directors and certain management resources of Ascopiave S.p.A. and its subsidiaries.
With regard to this incentive plan, for further information, please refer to the "Report on the remuneration policy and compensation paid", prepared pursuant to Article 123-ter of the Consolidated Law on Finance, as well as to the information document prepared pursuant to Article 84-bis of the Issuers' Regulation and according to Schedule no. 7 of Annex 3A of the Issuers' Regulation. Both documents are available on the Company's website.

b) Restrictions on the transfer of securities

There are no restrictions on the transfer of securities.

c) Significant shareholdings in the share capital

As at the date of approval of this Report, i.e. 6 March 2025, the Issuer's significant shareholdings, taking into account the notifications received pursuant to Article 120 of the Consolidated Law on Finance, the results of the shareholders' register, as well as on the basis of the information in the Company's possession, are as follows:

Declarant	Direct shareholder	Share of ordinary capital	Share % of voting capital
Asco Holding S.p.A.	Asco Holding S.p.A.	51.900%	61.029%
Municipality of Rovigo	ASM Rovigo S.p.A	4.399%	5.210%

It should be noted that during the Financial Year and up to the date of this Report, Ascopiave S.p.A. has not received any compulsory communications concerning significant shareholdings pursuant to Article 120 of the Consolidated Law on Finance, regarding the voting capital of Ascopiave S.p.A.

It should be noted that, at the end of the Financial Year and until the date of approval of this Report, i.e. on 6 March 2025, the Issuer's treasury shares in portfolio amount to 17.973.719.

d) Securities conferring special rights

No securities conferring special rights of control were issued.

As stated above, the Shareholders' Meeting of Ascopiave S.p.A. held on 23 April 2019, in extraordinary session, approved to amend Article 6 of Ascopiave's Articles of Association in order to provide for the mechanism of the voting right increase, pursuant to Article 127-quinquies of the Consolidated Law on Finance. Specifically, the increase mechanism allows the allocation of 2 voting rights for each Ascopiave S.p.A. share that has belonged to the same shareholder for a continuous period of at least 24 months from the time of registration in a Special List that has been established by the Company at its registered office. Subsequently, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 29 May 2020 amended Article 6 of the Company's Articles of Association in order to bring the statutory regulation of the mechanism for the operation of the voting rights increase in line with the interpretation made by Consob in Communication No. 0214548 dated 18 April 2019.
Lastly, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on December 16, 2024, also resolved to amend Art. 6 of the Articles of Association clarifying that the shareholder's legitimacy to the attribution of the increased voting right and the effects of the accrual of the right provided for in Article 127-quinquies of the TUF - once the minimum period of continuous holding of shares registered in the special list pursuant to Article 127-quinquies, paragraph 2, of the TUF is passed - is not referred to its express request to the intermediary to send the Company the communication, mentioned in Article 44, paragraph 3, of the "Single Provision on Post-Trading of Consob and the Bank of Italy of August 13, 2018" (containing the "Regulations on Central Counterparties, Central Depositories and Centralised Management Activities"), introduced by order dated October 10, 2022 (the "Single Post-Trading Order"), resulting in the elimination of the provision of a second communication by the intermediary, upon the holder's request, as a condition for the attribution of the voting rights increase.

On 5 July 2019, the Board of Directors of Ascopiave S.p.A. by virtue of the provisions of paragraph 6.10 of the Articles of Association: (i) adopted the "Regulations for increased voting rights", most recently updated by the Board of Directors on 13 December 2024, in order to regulate the procedures for the registration, maintenance and updating of the Special List in compliance with applicable regulations, the Articles of Association and market practices, so as to ensure the timely exchange of information between shareholders, the Company and Intermediaries; and (ii) appointed the person in charge of managing the Special List.
Please note that the current version of the Regulation for the increased vote and the related application form for inclusion in the special list for the attribution of the increased voting rights are available on Ascopiave's website at *www.gruppoascopiave.it*, Section "Corporate Governance" – "Increased Voting Rights". In the same Section of the website, the Company also publishes the notice drafted pursuant to Article 143-quater, paragraph 5 of the Issuers' Regulation concerning the list of

shareholders with a shareholding of more than 5% of the voting capital who are included in the special list for the entitlement to benefit from the increased voting rights.

e) Employee share ownership: mechanism for exercising voting rights

It should be noted that the Shareholders' Meeting of 29 April 2021, in extraordinary session, with reference to the regulations on share capital increases, introduced into the Articles of Association, in compliance with the applicable regulations, the statutory option provided for in Article 2349 of the Italian Civil Code, in order to grant the Shareholders' Meeting, in extraordinary session, the power to resolve capital increases through the issue of shares, including special categories, to be assigned free of charge to its own employees and employees of subsidiaries.

f) Voting restrictions

The Extraordinary Shareholders' Meeting of Ascopiave S.p.A. of 29 May 2020 introduced with Art. 6-bis of the Articles of Association a clause limiting the right to vote applied to shareholders who meet the definition of "Operators" and to parties related to them, resulting in the suspension of voting rights held in excess of the threshold of 5% of the total voting rights that can be exercised and without prejudice to the exercise of equity rights and other administrative rights connected to the shareholding held by the party subject to the so-called "voting cap". The voting cap applies (i) to "Operators", meaning operators in the production and/or distribution and/or transport and/or purchase and/or sale of natural gas and/or electricity and/or the energy efficiency sector and/or the water service and/or the network service in general, and (ii) to each person entitled to vote who belongs to a group in which there is an Operator, where "group" means subsidiaries, controlling companies or subject to the same control, pursuant to art. 93 of Legislative Decree no. 58/1998, of the person entitled to vote.
The introduction of a voting limit addressed not to the generality of shareholders, but to a specific category of shareholders, namely the Operators and their related parties, is interpreted from the perspective of protecting the company's interest from potential conflicting interests, through the inclusion of an instrument of articulation of the right to vote expressly permitted by the law. In particular, this clause seizes the opportunity offered by current legislation to resort to statutory autonomy to limit the influence of certain shareholders. In particular, Article 2351(3) of the Civil Code, which is also applicable to listed companies following Decree-Law 91/2014 (converted by Law 116/2014), provides that the Articles of Association may provide that, in relation to the number of shares held by the same person, the voting right may be limited to a maximum amount (or provide for staggered voting rights).

Compared to the text of Article 2351(3) of the Civil Code, the wording of the clause introduced in Article 6-bis of the Articles of Association makes reference not to the shares held, but to the voting rights that can be exercised, taking into account the fact that the Company's Articles of Association contain the mechanism of increased voting. Therefore, for the purpose of reaching the threshold of 5% : (i) on the one hand, the increased voting rights accrued (or renounced) by shareholders other than the shareholder subject to the "voting cap" will increase (or reduce) the calculation basis, (ii) on the other hand, should the shareholder subject to the "voting cap" accrue the conditions to benefit from the increased voting rights any exceeding of the 5% threshold (and, consequently, the excess shares in respect of which voting rights will be suspended) will be determined on the basis of the voting rights available to the shareholder as increased as a result of the increased voting rights mechanism. In addition, in order to allow for an effective application of the clause and to avoid

circumvention, it is provided that the "basket" of voting rights to be taken into account for the purposes of exceeding the materiality threshold shall include voting rights exercisable also by persons connected in various ways with the shareholder to whom the "voting cap" applies, i.e. not only to persons belonging to the same group as such shareholder, but also to persons linked to such shareholder by a shareholders' agreement concerning the shares of the Company and to companies included in the portfolio of funds possibly managed on a discretionary basis by such shareholder or by persons linked to it.
With regard to issues concerning the exercise of voting rights, please also refer to the information presented in Section 13 of this Report.

g) Shareholder Agreements

At the end of the Financial Year, and updated as at the date of approval of this Report, there was a shareholders' agreement ("Agreement"), originally communicated to Ascopiave on 18 March 2020 and signed on 16 March 2020, subsequently updated four times by the shareholders in agreement.
It should be noted that this Agreement was tacitly renewed for an additional three-year period by the same shareholders in agreement on 16 March 2023 pursuant to Article 6 of the same Agreement and was communicated to the Company on 17 March 17 2023.
After the end of the Financial Year, the Agreement was also updated by the shareholders in agreement on 2 January 2025 and communicated to the Company on the same date. It should be noted that this latest update exclusively concerns the change in the number of voting rights held by certain shareholders in agreement as a result of the intervening increases in voting rights, as last communicated by Ascopiave during the Financial Year on 7 June 2024 and on 5 July 2024.
The Agreement relates to a total of 15,734,784 ordinary Ascopiave shares, currently accounting for 6.712% of the share capital and currently equal to 30,828,743 total voting rights representing 7.788% of the total voting rights held by Ascopiave shareholders.
The aforementioned Agreement can be traced back to a voting syndicate with which the adherents intended to regulate the exercise of their voting rights in the ordinary and extraordinary shareholders' meetings of Ascopiave S.p.A. in order to express their votes in the Company's shareholders' meetings in an unequivocal and consistent manner, with the intent of protecting the interests of the entities they administer in the best possible way and to enhance the value of their shareholding investment.
The extract of the updated Covenant and subsequent updates are available in the "Corporate Governance" section of the Company's website (*www.gruppoascopiave.it*).

h) Change of Control Clauses and Statutory Provisions on Takeovers

Ascopiave and its subsidiaries have entered into certain financing agreements that contain specific clauses applicable in the event of a change of control over the Company. Specifically, these are bank loan agreements that provide for the counterparty's right to terminate the agreement early both in the event of the acquisition of control over Ascopiave S.p.A. by a party or parties, in concert with each other, other than the parent company Asco Holding S.p.A., and when this also results in a downgrade of Ascopiave's credit rating beyond certain thresholds.

With regard to takeover bids, the Issuer has not provided in its Articles of Association for any exceptions to the provisions of the Consolidated Law on Finance. The Issuer's Articles of

Association also do not provide for the application of the neutralisation rules envisaged in Article 104-bis, paragraphs 2 and 3, of the Consolidated Law on Finance.

i) Proxies to increase the share capital and authorisations to purchase treasury shares

During the Financial Year, the Board of Directors of Ascopiave S.p.A. was not granted any powers by the Shareholders' Meeting to increase the share capital.
The Ordinary Shareholders' Meeting held on 18 April 2024 approved the renewal of the authorisation, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, to purchase and dispose of treasury shares, after revoking the previous authorisation granted by the Shareholders' Meeting of 18 April 2023, which was scheduled to expire on 18 October 2024.
In particular, the Shareholders' Meeting authorised the Company (i) to purchase, on one or more occasions, a maximum number, on a revolving basis (meaning the maximum number of treasury shares that the Company may hold in its portfolio from time to time), of no. 46,882,315 ordinary shares of Ascopiave or a different number that will represent a portion not exceeding the maximum limit of 20% of the share capital, also taking into account the shares already held by the Company and those that may be held from time to time by the subsidiaries, for a period of 18 months from the date of the resolution; and (ii) the performance of acts of disposal, without time limits, of the treasury shares purchased and/or those that may be held in the Company's portfolio.
The authorisation to purchase and dispose of treasury shares is granted, in general, to provide the Company with a valid instrument to carry out, among other matters, in compliance with the provisions in force, investment transactions consistent with the Company's strategic guidelines, also by means of exchange, swap, assignment or other act of disposition of treasury shares, for the acquisition of participations or share packages or for other capital transactions involving the assignment or disposition of treasury shares (such as, for example, mergers, demergers, issues of convertible bonds or warrants, etc.).
Authorisation was also requested in order to allow the Company to carry out, inter alia, the transactions listed below, in compliance with the laws in force from time to time (i) to intervene, also through authorised independent intermediaries, and in compliance with applicable regulations, to favour the regular trend of trading and prices, in the face of distorting phenomena linked to excessive volatility and/or poor trading liquidity; (ii) to offer shareholders an additional tool to monetise their investment; (iii) to purchase treasury shares to be allocated, if necessary, to service any share-based incentive plans reserved for directors and/or employees and/or collaborators of the Company or other companies controlled by it or its parent company.
Purchase transactions may be carried out on the market, on one or more occasions, on a rotating basis, in accordance with the operating procedures envisaged in the Regulation of the Markets Organised and Managed by Borsa Italiana S.p.A., which does not allow the direct matching of buy orders with predetermined sell orders, in compliance with the provisions of Article 132 of the Consolidated Law on Finance and Article 144-bis of the Issuers' Regulations or, in any case, in accordance with other procedures permitted by the law, including regulations, in force at the time.
Disposal transactions may be carried out, on one or more occasions, in any manner deemed appropriate in relation to the purposes that will be pursued. The unit price for the purchase of ordinary Ascopiave shares, established from time to time for each individual transaction, may not be more than 10% higher or lower than the reference price recorded by Ascopiave shares in the stock exchange session prior to each individual purchase transaction.
With regard to the consideration for the disposal of the treasury shares purchased, established on a case-by-case basis for each individual transaction, the Shareholders' Meeting determined only the minimum consideration, which may not be 10% lower than the reference price recorded by the stock on the stock exchange session prior to each individual disposal transaction (meaning the date on

which the commitment to dispose of the shares is undertaken, regardless of the date of its execution), it being understood that this limit may not be applied in certain cases indicated in the resolution.
The Company, in compliance with current and applicable regulations, will inform the market of the start date of the share buyback programme as well as any further information required.
The number of treasury shares in portfolio as at 31 December 2024 was 17,973,719, corresponding to 7.668% of the share capital and representing 4.541% of the voting capital.
Please note that this number of treasury shares remained unchanged as at 6 March 2025, the date of approval of this Report.
No subsidiary of Ascopiave holds shares in it.

(j) Management and coordination activities

Despite the existence of certain relations of an economic nature with the parent company Asco Holding S.p.A., the Issuer believes that it is not subject to any management and coordination activities pursuant to Articles 2497 et seq. of the Italian Civil Code, since Asco Holding S.p.A. does not issue directives to its subsidiary and there is no form of managerial and/or organisational interdependence between the two companies since decisions relating to Ascopiave S.p.A. and its subsidiaries are taken, as far as their respective competences are concerned, exclusively within the Issuer's Board of Directors and by the administrative bodies of the Issuer's subsidiaries. Consequently, Ascopiave S.p.A. believes that it has always operated in conditions of corporate and entrepreneurial autonomy from its parent company Asco Holding S.p.A.

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It should be noted that:

- The information envisaged by Article 123-bis, paragraph 1, letter i) ("agreements between the company and the directors ... which provide for indemnities in the event of resignation or dismissal without just cause or if their employment ceases as a result of a takeover bid") is illustrated in the section of the Report dealing with directors' remuneration (see Section 8.1);
- The information envisaged by Article 123-bis, paragraph 1, letter l) ("the rules applicable to the appointment and replacement of directors ... if different from the laws and regulations applicable by way of supplementary provisions") is illustrated in the section of the Report regarding the Board of Directors (see Section 4.2);
- The information envisaged by Art. 123-bis, para. 1 (l), second part ("the rules applicable ... to the amendment of the articles of association, if different from the laws and regulations applicable by way of supplementary provisions") is envisaged in the section of the Report regarding the Shareholders' Meeting (see Sect. 13).

3. COMPLIANCE

On 15 January 2021, the Issuer's Board of Directors formally adhered to the Corporate Governance Code for Listed Companies promoted by the Corporate Governance Committee of Borsa Italiana S.p.A., conforming to the Principles and Recommendations set forth therein; any failure to conform to individual Principles or Recommendations will be justified in this Report.

The Corporate Governance Code is publicly accessible on the Corporate Governance Committee's website at https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

The Issuer is not subject to non-Italian legal provisions affecting the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1. ROLE OF THE BOARD OF DIRECTORS

The Board of Directors performs a significant function in relation to the proper handling of corporate information and relations with shareholders.
To this end, Article 19 of the Articles of Association grants the Board of Directors the broadest powers for the ordinary and extraordinary management of the Company, with no exceptions whatsoever, and the power to perform all acts it deems appropriate for the implementation and achievement of the corporate purposes, with the sole exception of those that the law peremptorily reserves to the Shareholders' Meeting.
Furthermore, again pursuant to Article 19 of the Articles of Association, the Board of Directors has the power, which cannot be delegated, to pass resolutions, in compliance with the laws in force from time to time, concerning

- mergers or demergers pursuant to Articles 2505, 2505-bis, 2506-ter, of the Italian Civil Code;
- establishment or suppression of branch offices;
- transfer of the registered office within the national territory;
- indication of which directors have legal representation;
- reduction of capital following the withdrawal of one or more shareholders;
- adaptation of the Articles of Association to mandatory regulatory provisions;
- issue of non-convertible bonds,

on the understanding that such resolutions may also be passed by the extraordinary Shareholders' Meeting.
As a reminder, the Extraordinary Shareholders' Meeting of 29 April 2021 approved an amendment to the aforementioned Article 19 of the Articles of Association, aimed at assigning the Board of Directors the authority to pass resolutions on the issue of non-convertible bonds.

It should be noted that, with regard to the powers of the Board of Directors, on 11 November 2021 the Board adopted a "Regulation of the Board of Directors, the Lead independent director and the Internal Board Committees" aimed at ensuring compliance with the applicable provisions of law and the Articles of Association, as well as, to the maximum extent possible, with the principles and recommendations on corporate governance expressed by the Corporate Governance Code, to which the Company adheres. In particular, it should be noted that the powers of the Board of Directors, described in this Section, are governed by paragraph 3.2 of the Regulation.

During the Financial Year, in line with Principle I of the CG Code, the Board of Directors guided the exercise of business activities by pursuing the goal of sustainable success, i.e. the creation of long-term value for the benefit of shareholders, taking into account the interests of the Company's other relevant stakeholders. This role of the Board of Directors is regulated in Section 3.1.1 of the Regulation. For further information, please refer to Section 1 "Issuer Profile" of this Report.

Pursuant to Principle II of the CG Code, the Board of Directors has its own functions in defining the strategies of the Company and the Group, pursuing their sustainable success, as well as the control

of their implementation, in compliance, as far as the gas distribution sector is concerned, with the powers and prerogatives provided by the Unbundling Regulation for the so-called "Independent Operator" and the vertically integrated company.
In addition, with reference to Recommendation 1, letter a) of the CG Code, the Board is competent, where appropriate, with regard to the examination and approval of the Group's business plan, also analysing issues relevant to long-term value generation.
In this regard, it should be noted that on 15 January 2021, the Board of Directors examined and approved the "2020-2024 Strategic Plan", also based on the analysis of the issues relevant to the generation of value in the long term, integrating the sustainability of the business activity in the definition of corporate strategies, in particular, within the strategic document approval process.
Sustainability has also been integrated into the subsequent strategic plans approved by the Board of Directors of Ascopiave S.p.A. namely in the "Strategic Plan 2021-2025", the "Strategic Plan 2022-2026" and the "Strategic Plan 2024-2027" approved by the Board of Directors on March 18, 2024, which confirms the four strategic guidelines already indicated in the plan approved during 2023: growth in core businesses, diversification into synergistic sectors, economic and operational efficiency and innovation.
Finally, after the end of the Financial Year, on February 13, 2025, the Board of Directors approved the Group's "Strategic Plan 2025-2028," confirming the four strategic directions already indicated in the previous document..
It should also be noted that the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees', approved by the Board on 11 November 2021, stipulates that the Board of Directors is responsible for defining the Company's strategic guidelines on sustainability and the analysis of issues relevant to the generation of long-term value, with the support of the Sustainability Committee.
In this regard, it is hereby noted that, during the Financial Year the Board of Directors approved the "Strategic Plan 2024-2027" in accordance with the principles envisaged in the "Guidelines for the Pursuit of Sustainable Success" (hereinafter also "Guidelines"), which was approved by the Board of Directors of Ascopiave S.p.A. on 21 April 2022, upon the proposal of the Sustainability Committee.
Lastly, it should be noted that on 13 December 2024, the Issuer's Board of Directors approved an update of the aforementioned Guidelines, based on the proposal of the Sustainability Committee, and the Board of Directors of Ascopiave S.p.A. approved the recent "Strategic Plan 2025-2028" in line with the updated Guidelines.

With reference to Recommendation 1 (b) of the CG Code, the Board periodically monitors the implementation of the business plan and the evaluation of the general performance of the management, periodically comparing the results achieved with those planned.
During the Financial Year, the Board assessed, on a quarterly basis, the general performance of operations, verifying the economic and financial results of the Company and consolidated. The results, and performance indicators, were compared with the planning data.
Pursuant to the "Guidelines for the management and coordination of Ascopiave S.p.A.", adopted by the Board of Directors of Ascopiave S.p.A. in 2012 and subsequently last updated on 11 September 2020, the Company ensures the control of management performance through analyses and assessments aimed at guaranteeing forecast and final information on the economic, financial and equity management of the Ascopiave Group. In particular, the parent company Ascopiave S.p.A. prepares the Group's business plan and budget and establishes the guidelines that must be incorporated into the process of drawing up plans and budgets by the individual companies of the group, without prejudice to the respect of the management autonomy of the companies of the Ascopiave Group subject to the functional and accounting separation regime (so-called unbundling).

In this regard, it should be noted that on 12 February 2021, the Board of Directors of Ascopiave S.p.A. updated the budget procedure called "Procedure for the preparation and approval of the Ascopiave Group's budget and annual and multi-year infrastructure development plan".
In order to allow for the preparation of the Group's business plan and budget, consistent with the planning and scheduling procedures, tools and timelines implemented and disseminated by the parent company, it is the responsibility of the board of directors of each subsidiary to send the parent company information and forecast data that incorporates the aforesaid guidelines, as well as to operate on the basis of approved business plans and annual budgets, providing for periodic checks through the preparation of final statements for the period. The parent company verifies in advance the correspondence of the business plans and annual budgets of the subsidiaries with the indicated guidelines and the deviations from the final figures for the period.
The planning and budgeting guidelines established by the parent company for Group companies subject to functional unbundling obligations take into account the powers and prerogatives provided for in the unbundling regulations for the Independent Operator and the vertically integrated company.
With specific reference to the gas distribution service, the parent company exercises its management and coordination powers, ensuring compliance with the purposes of functional unbundling, in accordance with the provisions of Article 13 of the TIUF. In particular, the budget objectives defined by the parent company for Group companies subject to functional unbundling obligations refer to: i) annual level of investments; ii) level of debt; iii) profitability of assets managed and investments made. The parent company's Board of Directors approves the Group's consolidated budget, based on the budgets approved by each individual subsidiary in line with the planning and budgeting guidelines mentioned above and in compliance with Group policies and procedures.

With reference to Recommendation 1, letter c) of the CG Code, the Board is competent with regard to defining the nature and level of risk compatible with the Company's strategic objectives, including in its assessments all elements that may be relevant to the sustainable success of the Company.
In this regard, during the Financial Year, as part of the approval process of the "2024-2027 Strategic Plan", the Board of Directors defined the nature and level of risk compatible with the Company's strategic objectives, including in its assessments all the elements that may be relevant to the Company's sustainable success. In particular, the Board of Directors also integrated the environmental, social and economic sustainability of the Company's business in the definition of its strategies, confirming the strategic guidelines approved in 2023. In this regard, it should be specified that the approval process of the previous strategic plans and the new "Strategic Plan 2025-2028", approved on 13 February 2025, was also implemented in compliance with Recommendation 1(c) of the CG Code.

With reference to the provisions of Principle III of the CG Code and pursuant to Recommendation 1, letter d), first part, of the CG Code, the Board plays a primary role in Ascopiave S.p.A.'s corporate governance system, as it defines the most functional corporate governance system for the performance of business activities and the pursuit of the Company and Group's strategies, being able to make proposals to the Shareholders' Meeting, if necessary, with reference to the following profiles

(a) choice and characteristics of the corporate model;
(b) articulation of the administrative and property rights of the shares;
(c) percentages established for the exercise of the prerogatives established to protect minorities.

In particular, please refer to Section 13 "*Shareholders' Meetings*" of this Report for more information on the Board's proposals submitted to the Shareholders' Meeting for the definition of a corporate governance system more functional to the Issuer's needs.

In line with Recommendation 1(d), part 2 of the CG Code, the Board of Directors defines the structure of the Group and assesses the adequacy of the organisational, administrative and accounting structure of the Company and its strategically important subsidiaries, with particular reference to the internal control and risk management system.
On29 February 2024, with reference to the financial year 2023 and on 27 February 2025 with reference to the Financial Year 2024, the Board assessed the adequacy of the Issuer's organisational, administrative and accounting structure, with particular reference to the internal control and risk management system of the Issuer and its subsidiaries. Within the scope of this activity, the Board was supported by the Audit and Risk Committee, the Head of the Internal Audit Department and the Manager in charge of preparing the company's financial reports, as well as the procedures and checks implemented also pursuant to Law 262/2005, and the interaction with the Board of Statutory Auditors, the Supervisory Board and the Independent Auditors.
In 2012, the Board of Directors of Ascopiave S.p.A. adopted the document "Guidelines for the exercise of the power of direction and coordination" (hereinafter also referred to as the "Guidelines"), a document last updated on 11 September 2020, which regulates the mechanisms for implementing direction and coordination, information and control flows between the Issuer and its subsidiaries. The document, approved by the shareholders' meetings of the individual subsidiaries and subsequently adopted by the individual boards of directors of those subsidiaries, constitutes an integral part of the Group's governance system.
For further information on the structure of the internal control and risk management system, please refer to Section 9 "*Internal Control and Risk Management System - Audit and Risk Committee*" of this Report.

In line with Recommendation 1, letter e) of the CG Code, the Board of Directors is competent for resolutions concerning transactions of the Company and its subsidiaries that, as defined by the Company within the Guidelines, have a significant strategic, economic, equity or financial significance for the Company itself and/or the Group. In particular, if such transactions are carried out by the subsidiaries, the Guidelines provide that, in compliance with the sector regulations on the subject of administrative and accounting separation, the boards of directors of the subsidiaries shall submit to the parent company for prior examination and approval, for any appropriate resolutions, transactions of significant strategic, economic, equity or financial importance, such as, by way of example only:

- agreements with competitors and partners which, by virtue of their object, nature, commitments, constraints, which may directly or indirectly derive therefrom, may have a lasting effect on the freedom of strategic entrepreneurial choices (e.g. partnerships, joint ventures, etc.);
- acts and transactions involving entry into (or exit from) geographic and/or product markets;
- investment and divestment transactions in tangible and intangible assets worth more than Euro 3 million;
- deeds of purchase and disposal of companies or branches of companies;
- acts of contribution, purchase, sale or disposal of shareholdings, including controlling and associated shareholdings and interests in other companies, as well as the conclusion of agreements on the exercise of the rights inherent in such shareholdings;
- acts and operations of transformation, merger and demerger, as well as capital transactions and issues of convertible bonds;
- taking out or granting loans or guarantees/guarantees in the interest of Group companies or in the interest of other parties for an amount exceeding Euro 1 million;
- acts for the purchase of goods and services committing the subsidiaries for a duration of more than 12 months, non-renewable, and/or for an amount exceeding Euro 500,000;

- acts of purchase of consultancy services and professional appointments, amounting individually to over Euro 100,000;
- amendments to the articles of association, as well as the establishment and closure of secondary offices;
- with reference to the gas distribution sector, with regard to participation in tenders for the award of the gas distribution service, the parent company may supervise the profitability of the investments made by the Independent Operator; it approves the annual financial plan, or other equivalent instrument, drawn up by the Independent Operator and relating to the management of its activities and the development of its infrastructure; it provides for limits on the levels of indebtedness incurred by the Independent Operator in its activities;
- recruitment of managerial staff.

In line with Recommendation 1(f) of the CG Code, on 28 January 2021, the Board of Directors, at the proposal of the Chairman and Chief Executive Officer, approved the updated version of the "Procedure for the Management and Handling of Inside Information, for the Disclosure of Notice to the Public and for the Management of Persons with Access to Inside Information". Please refer to Section 5 "*Management of Corporate Information*" of this Report for further information.

Lastly, please refer to the specific relevant Sections of this Report, with reference to the Board's further powers on the subject of composition, operation, appointment and self-assessment, remuneration policy, as well as the internal control and risk management system.

During the Financial Year, pursuant to Principle IV of the CG Code, the Board of Directors promoted dialogue with shareholders and other stakeholders relevant to the Issuer in the most appropriate forms. To this end, pursuant to Recommendation 3 of the CG Code, at its meeting of 22 December 2021, upon proposal of the Chairman and Chief Executive Officer, the Board adopted the "Policy for the Management of Dialogue with Shareholders and Other Relevant Stakeholders". This policy governs the management of dialogue with the generality of shareholders, also taking into account the engagement policies adopted by institutional investors and asset managers.
Please refer to Section 12 "*Relations with Shareholders and Other Relevant Stakeholders*" of this Report for more details on the content of this policy, which has been published in full in the "Corporate Governance" section of the Company's website.

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Please refer to Chapter 1 "*General Information*," "*Governance*" Section of the Consolidated Sustainability Report for the information required by the following sustainability reporting standards:
- ESRS 2 - Par. 19 and 20(b), in particular ESRS 2 Par. 22;
- ESRS 2 - Par. 24, in particular ESRS 2 Par. 26.

4.2. APPOINTMENT AND REPLACEMENT (pursuant to Article 123-bis(1)(l), first part, TUF)

The provisions of the Issuer's Articles of Association that regulate the composition and appointment of the Board (Articles 14 and 15) are suitable to ensure compliance with the provisions introduced on the subject by Law 262/2005, Legislative Decree No. 303 of 29 December 2006, Law No. 120 of

11 July 2011 and Law No. 160 of 27 December 2019 (Article 147-ter of the Consolidated Law on Finance).

With particular reference to gender diversity, it should be noted that on 20 March 2020, the Board of Directors approved, pursuant to Article 19 of the Articles of Association, the adjustment of Article 15 of the Articles of Association to the regulatory provisions on gender balance in the composition of corporate bodies, precisely in order to align the provisions of the Articles of Association with the provisions of Law No. 160 of 27 December 2019: this law amended, inter alia, Article 147-ter of the Consolidated Law on Finance, introducing a new criterion for the distribution of gender quotas, which was applied as at the first renewal of the governing bodies following 1 January 2019. 160: this law amended, inter alia, Article 147-ter of the Consolidated Law on Finance, introducing a new distribution criterion, which was applied as at the first renewal of the governing bodies after 1 January 2020, pursuant to which at least two-fifths (rounded up to the next higher unit if the application of such criterion results in a non-integer number) of the effective members of the governing body must be reserved for the less represented gender, for six consecutive terms. It should be noted that this new gender balance distribution criterion was applied starting with the Board of Directors appointed by the Shareholders' Meeting of 29 May 2020 and was also applied with reference to the current term of office of the Board of Directors.

Subsequently, it should be noted that on 29 May 2020, the Extraordinary Shareholders' Meeting approved amendments to Articles 14 (with reference to the composition of the Board of Directors) and 15 of the Articles of Association (with reference to the appointment of the Board of Directors) in order to introduce the increase in the number of directors from 6 (six) to 7 (seven), to increase the number of directors taken from the list obtaining the highest number of votes from five to six, as well as to integrate the mechanism for the replacement of directors in compliance with the legal and regulatory provisions provided for in relation to gender balance.

Lastly, it should be noted that the Extraordinary Shareholders' Meeting of 29 April 2021 approved the amendment of certain other articles of the Articles of Association aimed at aligning their content with the best practice of listed companies, including certain amendments to Article 15 (with reference to the appointment of the Board of Directors), introducing the possibility for the outgoing Board of Directors to submit a list of candidates for the appointment of the Board in order to ensure the stability of governance in the event that any future changes in the shareholding structure should result in the absence of a controlling shareholder.

The attribution to the outgoing administrative body of the faculty to take a proactive role in the appointment of the Board of Directors represents a corporate governance rule already adopted by other issuers. Indeed, it allows the Board of Directors to use its experience, professionalism, and knowledge of the Issuer's business, to select the candidates to be included in the list and submitted to the Shareholders in the absence of a controlling shareholder.

Pursuant to Article 15 of the Articles of Association, the members of the Board of Directors are appointed by means of the so-called list voting on the basis of lists submitted by shareholders who, alone or together with other shareholders, hold, at the date of submitting the list, a number of shares with voting rights in the Shareholders' Meeting resolutions on the appointment of members of the administration and control bodies ("relevant shares") representing at least 2.5% of the share capital, or, where different, the shareholding in the share capital required for the submission of lists by the applicable laws and regulations ("shareholding"). The shareholding percentage is indicated in the notice of call of the Shareholders' Meeting called to resolve on the appointment of the Board of Directors.

Article 15 of the Articles of Association provides that the lists submitted by shareholders must be deposited at the Company's registered office, also by means of remote communication and in accordance with the procedures and terms envisaged by the laws in force from time to time and indicated in the notice of call of the Shareholders' Meeting.

Together with each list, within the terms indicated above, declarations must be filed by the individual candidates accepting their candidacy and certifying, under their own responsibility, the non-existence of the causes of ineligibility, incompatibility and disqualification pursuant to the laws and regulations in force from time to time, as well as the possession of the additional requirements prescribed by the laws and regulations in force from time to time, and any other or different declarations, information and/or documents envisaged by law and the applicable regulations. The first candidate on each list must meet the independence requirements envisaged by the legislation applicable from time to time and by the codes of conduct drawn up by market management companies to which the Company has adhered.

It should be noted that Article 15.10 of the Articles of Association, pursuant to the provisions of Article 147-ter, paragraph 1 of the Consolidated Law on Finance, provides that, for the purpose of allocating the directors to be elected, no account is taken of the lists that have not obtained a percentage of votes equal to at least half of the percentage required for the presentation of the lists themselves pursuant to the Articles of Association.

Lists with at least three candidates cannot be composed only of candidates belonging to the same gender (male or female). These lists must include a number of candidates of the least represented gender such as to ensure that the composition of the Board of Directors complies with the legal and regulatory provisions, as in force from time to time, concerning gender balance (male and female).

If only one list is submitted, the Shareholders' Meeting shall vote on it and, if it obtains a relative majority of the votes, all the members of the Board of Directors shall be drawn from that list in compliance with the laws and regulations in force from time to time, also with regard to gender balance (male and female). In the event that the only list submitted and obtaining a relative majority of votes does not contain a sufficient number of candidates to ensure that the number of seven directors is reached, all the candidates listed therein shall be drawn from that list and appointed as directors, and the remaining directors shall be appointed by the Shareholders' Meeting with the ordinary procedures and majorities, without application of the list voting mechanism and in compliance with the provisions of the law, without prejudice to the provisions of Article 15.15 of the Articles of Association.

If no lists are submitted, or if only one list is submitted and that list does not obtain a relative majority of the votes, or if the number of directors elected on the basis of the lists submitted is less than the number of directors to be elected, or if the entire Board of Directors is not to be renewed, or if no list has obtained a number of votes equal to at least the minimum threshold envisaged in Article 15.10 of the Articles of Association (i.e. a percentage of votes equal to at least half of that required for the submission of the lists themselves pursuant to these Articles of Association), the Shareholders' Meeting shall pass resolutions with the ordinary procedures and majorities, without application of the list voting mechanism and in compliance with the provisions of the law, without prejudice to the provisions of Article 15.15 of the Articles of Association.

In the event that two or more lists are submitted, the Shareholders' Meeting shall vote if they obtain a percentage of votes equal to at least half of that required for the submission of such lists under the Articles of Association:

(i) all candidates up to a maximum of 6 (six) shall be taken from the list that has obtained the highest number of votes (the "Majority List") and elected as directors, in the progressive order in which they are indicated in the list itself, without prejudice to the provisions set forth below to ensure the balance between genders in compliance with the applicable provisions of the law and regulations;

(ii) one director shall be drawn from the list obtaining the second highest number of votes and which is not connected in any way, not even indirectly, with the shareholders who submitted or voted for the Majority List, in the person of the candidate indicated with the first number in the list;

(i) in the event of a tie between two or more lists, the candidates of the list submitted by shareholders owning the largest shareholding or, secondarily, by the largest number of shareholders shall be elected, subject to the provisions set forth below to ensure gender balance in compliance with the applicable provisions of the law and regulations.

If, at the end of the vote, the legal and regulatory provisions concerning the balance between male and female gender are not complied with, the candidate of the most represented gender elected as the last in numerical order from the Majority List shall be excluded and shall be replaced by the first non-elected candidate belonging to the other gender, drawn from the same list. This replacement shall be carried out until a number of candidates belonging to the less represented gender are elected such as to ensure that the composition of the Board of Directors complies with the provisions of the law and regulations, in force from time to time, on gender balance (male and female). In the event that it is not possible to implement this replacement procedure in order to ensure compliance with the legal and regulatory provisions, in force from time to time, on the subject of gender balance (male and female), the missing directors shall be elected by the Shareholders' Meeting in the ordinary manner and with ordinary majorities, after nominating candidates belonging to the less represented gender.
If, at the end of the voting, the number of independent directors envisaged by the applicable laws and regulations is not ensured, the non-independent candidates elected as last in numerical order from the Majority List shall be excluded and shall be replaced with the first independent candidates not elected in the same list. Should said procedure not ensure the election of the number of independent directors envisaged by the applicable laws and regulations, the missing directors shall be elected by the Shareholders' Meeting with the ordinary procedures and majorities, subject to the submission of nominations of persons meeting the independence requirements set forth by the laws and regulations in force from time to time.

The appointment mechanism through the so-called "list vote" ensures transparency as well as timely and adequate information on the personal and professional characteristics of the candidates for office.
The Board of Directors did not set up an internal committee to propose appointments to the Board of Directors, as it did not deem it necessary, reserving the relevant functions to the entire Board of Directors, in line with the provisions of Recommendation 16 of the CG Code. This choice was also adopted in consideration of the size and shareholding structure of the Issuer, as well as the limited number of members of the administration and control bodies and the possibility of guaranteeing adequate supervision within the Board of Directors' dialectic, considering the high number of independent directors.

Please note that on 29 April 2021, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. approved the proposal to amend Article 15.1 of the Company Articles of Association to provide for the possibility for the outgoing Board to present a list of candidates for the appointment of the Board of Directors in order to guarantee governance stability in the event that any future changes in the shareholding structure should result in the absence of a controlling shareholder.

Pursuant to the Articles of Association, if one or more directors taken from the Majority List ("Majority Directors") should cease to hold office during the year, for any reason whatsoever, and provided that such cessation does not cause the majority of directors elected by the Shareholders' Meeting to cease to hold office, the Board of Directors shall replace the ceased Majority Directors by co-optation, pursuant to Article 2386 of the Italian Civil Code, it being understood that, where one or more of the outgoing Majority Directors are independent directors, other independent directors must be co-opted, and the applicable provisions on gender balance must also be complied with. The directors thus co-opted remain in office until the next Shareholders' Meeting, which will confirm or replace them with the ordinary procedures and majorities, as an exception to the list voting system indicated above.
If, during the course of the financial year, one or more directors taken from the Minority List (the "Minority Director") should cease to hold office for any reason whatsoever, and provided that such cessation does not cause the majority of directors elected by the Shareholders' Meeting to cease to hold office the Board of Directors shall replace the ceased Minority Directors with the first unelected candidates belonging to the same list, provided that they are still eligible and willing to accept the office, or, failing that, to the first list following by number of votes among those that have reached a number of votes equal to at least the minimum threshold envisaged in paragraph 15.10 of the Articles of Association, subject to compliance, in both alternative cases, with the applicable provisions on gender balance. The replacements remain in office until the next Shareholders' Meeting, which will proceed to their confirmation or replacement with the ordinary procedures and majorities, as an exception to the list voting system indicated in Article 15 of the Articles of Association.
In the event that one or more of the outgoing Minority Directors are independent directors, they must be replaced with other independent directors. If it is not possible to proceed within the above terms, due to the inability of the lists or the unavailability of the candidates, the Board of Directors shall co-opt, pursuant to Article 2386 of the Italian Civil Code, a director chosen by it in accordance with the benchmarks established by law, so as to comply with the statutory and regulatory provisions concerning the presence of the minimum number of independent directors, the respect of the balance between genders and, where possible, the principle of minority representation. The director thus co-opted will remain in office until the next Shareholders' Meeting, which will confirm or replace him/her with the ordinary procedures and majorities, as an exception to the list voting system indicated in Article 15 of the Articles of Association.

With regard to information on the role of the Board of Directors and the Internal Board Committees in the processes of self-assessment, nomination and succession of directors, please refer to Section 7 "*Self-Assessment and Succession of Directors - Appointments Committee*" of this Report.
The Articles of Association do not provide for any additional requirements of integrity and/or professionalism other than and in addition to the law.

4.3. COMPOSITION (pursuant to Article 123-bis, paragraph 2, letters d) and d-bis), TUF)

Pursuant to Principle V of the Corporate Governance Code, the Board of Directors is composed of executive and non-executive directors (i.e., directors without management powers), all of whom meet the requirements envisaged by law, as well as having the professionalism and skills appropriate to the tasks entrusted to them.
In line with Principle VI of the CG Code, the non-executive directors are in such numbers and skills as to ensure that their judgement can carry significant weight in board decisions and ensure effective monitoring of management.

In particular, pursuant to Article 14 of the Articles of Association, the Board of Directors is composed of seven (7) members, including non-shareholders, appointed by the Ordinary Shareholders' Meeting.
The Board of Directors resolves with the favourable vote of the majority of the directors present. In the event of an equal number of votes, the decision obtaining the vote of the Chairman of the Board of Directors shall be deemed approved.
Please note that the Shareholders' Meeting of 29 May 2020, in extraordinary session, examined and approved the following amendments to Articles 14 and 15 of the Articles of Association:

- increase in the number of members of the Board of Directors from 6 (six) to 7 (seven); increase from 5 (five) to 6 (six) in the number of directors taken from the list obtaining the highest number of votes;
- integration of the mechanism for the replacement of directors in compliance with the legal and regulatory provisions on gender balance, providing that in the event that it is not possible to implement the replacement procedure in order to ensure compliance with the legal and regulatory provisions, in force from time to time, on the subject of gender distribution (male and female), the missing directors will be elected by the shareholders' meeting using the ordinary procedures and majorities, subject to the submission of nominations of persons belonging to the less represented gender.

The members of the Board of Directors remain in office for three financial years and their term of office expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office; there are no different terms of office for the members of the Board of Directors. The members of the Board of Directors may be re-elected.

Below is information on the appointment of the current Board of Directors during the Financial Year.
The Board of Directors of Ascopiave S.p.A., appointed by the Shareholders' Meeting held on 18 April 2023, is composed of 7 (seven) members who will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2025.
At this Shareholders' Meeting, two lists were submitted, between which there were no relations of connection. Six directors were taken from the list presented by the majority shareholder Asco Holding S.p.A., owner of a shareholding equal to 51.157% of the share capital and equal to 60.813% of the voting capital of Ascopiave S.p.A. On the other hand, the director Cristian Novello was taken from the minority list no. 2 presented by ASM Rovigo S.p.A. (holder of a shareholding equal to 4.399% of the share capital and equal to 5.229% of the voting capital).

Below is a summary of the lists presented and the results of the voting:

PRESENTING PARTY	LIST OF CANDIDATES	LIST OF ELECTED MEMBERS	% VOTES OBTAINED IN RELATION TO VOTING RIGHTS
List No. 1 Asco Holding S.p.A.	1. Luisa Vecchiato 2. Nicola Cecconato 3. Federica Monti 4. Greta Pietrobon 5. Enrico Quarello 6. Giovanni Zoppas	1. Luisa Vecchiato 2. Nicola Cecconato 3. Federica Monti 4. Greta Pietrobon 5. Enrico Quarello 6. Giovanni Zoppas	64.439%

List No. 2 ASM Rovigo S.p.A.	1. Cristian Novello 2. Cristina Venco	1. Cristian Novello	14.283%

For the detailed composition of the Board of Directors, with reference to the financial year 2024, please refer to Table 2 at the end of the Report.
The main professional characteristics of the Directors and their length of service since their first appointment are presented below:

- Mr. Nicola Cecconato, **Chairman and Chief Executive Officer ("Chief Executive Officer"),** in office since 4 May 2017, in his third term (**Non-Independent Executive Director**).
  He was born in Treviso on 16 June 1965. He graduated in economics and commerce from Ca' Foscari University of Venice in 1991. He is enrolled in the Order of Chartered Accountants and Accounting Experts of Treviso, in the Register of Legal Auditors, in the Register of Consultants and Experts at the Court of Treviso and in the College of Economists of Barcelona (Spain). He has been practising as a Chartered Accountant since 1994.
  Mr. Cecconato has extensive experience as Chairman and Director of public and private companies, including financial and credit companies, member of Boards of Statutory Auditors, Legal Auditor, Bankruptcy Curator, Judicial Commissioner and tax and corporate advisor in various public and private companies. Of particular note is the experience gained in M&A transactions and extraordinary transactions for the reorganisation of corporate groups.
  He also deals with national and international tax and corporate consulting and company valuation.
  Chairman and Chief Executive Officer of Ascopiave S.p.A. since 2017 and Chief Executive Officer pursuant to the Corporate Governance Code since 2021.
  On 11 November 2021, the Board of Directors, upon the proposal of the Remuneration Committee and subject to the favourable opinion of the same Committee also acting as the Committee for Related Party Transactions, appointed the Chairman and Chief Executive Officer Mr. Nicola Cecconato as General Manager of Ascopiave, effective as at 1 January 2022.

- Ms. Luisa Vecchiato, in office since 4 June 2020, in her second term (**Independent Non-Executive Director)**.
  She was born in Castelfranco Veneto (TV) on 4 April 1965. She graduated in business administration from the Ca' Foscari University of Venice in 1994. She is a member of the Order of Chartered Accountants of Treviso and of the Register of Auditors.
  She practises as a chartered accountant and auditor, owns a professional firm and deals with tax and corporate consulting. She acts as an administrator in a number of corporations, was a member of the Board of Liquidators of the Consorzio Portuario di Treviso from 2003 to 2014, and acted as a bankruptcy receiver at the Court of Treviso.
  Since 2020, she has been a member of the Board of Directors of Ascopiave S.p.A.
  She holds the position of Chairman of the Remuneration Committee and member of the Audit and Risk Committee of Ascopiave S.p.A.
  She obtained a first-level Master's degree in "Risk Management, Internal Audit & Fraud" at the Cà Foscari University of Venice in 2022.

- Ms. Federica Monti, in office since 18 April 2023, in her first term (**Independent Non-Executive Director**).

She was born in Auronzo di Cadore (BL) on 10 February 1969. She graduated in business economics in 1997 from the Cà Foscari University of Venice and has been a chartered accountant and auditor since September 2002. Since April 2005, she has been working as a freelance professional at the Bampo Commercialisti firm in Belluno, initially as a studio collaborator and since 2007 as an associate. She has gained experience in corporate and tax consultancy and in extraordinary transactions. She provides ongoing consultancy in accounting, tax and corporate matters to small and medium-sized companies located in the provinces of Belluno, Treviso and Venice. She is a statutory auditor for companies located in the provinces of Belluno, Treviso, Venice and Bolzano. She is a member of boards of statutory auditors and holds the role of Managing Director, as well as being a shareholder, of the companies Dale Services S.r.l., Auronzo d'Inverno S.r.l. and Finras S.r.l.
Since February 2022 she has been Chairman of the Guild of Chartered Accountants and Accounting Experts.
Since April 2023, she has been a Director of Ascopiave S.p.A., where he is also a member of the Sustainability Committee and the Audit and Risk Committee.

- Ms. Greta Pietrobon, a lawyer, in office since 24 April 2014, in her fourth term (**Non-Independent Non-Executive Director).**
  Greta Pietrobon was born in Treviso on 18 October 1983. She obtained her law degree from the University of Padua in 2009 and is currently a member of the Treviso Bar Association.
  She practices in the fields of civil law, data protection, corporate contract law and serves as a director in corporations. Since 2014 to date, she has been a member of the Board of Directors of Ascopiave S.p.A. as Chairman of the Sustainability Committee and member of the Remuneration Committee of Ascopiave S.p.A.
  She obtained a first-level Master's degree in "Risk Management, Internal Audit & Fraud" at the Cà Foscari University of Venice in 2022.

- Mr. Enrico Quarello, in office since 14 February 2012, in his fifth term (**Non-Independent Non-Executive Director**).
  He was born in Castelfranco Veneto on 10 November 1974. He has held numerous management and coordination positions in International Cooperation programmes, especially in the Balkan area. He has founded and directed several cooperative enterprises operating in the production/commercial and social sectors.
  In addition to his presence as a director in Ascopiave Group companies, he has gained experience as a director in several companies (Coop Adriatica, Robintur, Editrice Consumatori, FairTrade). He has been Head of Relations and Activities in the Territory of COOP Adriatica. Today he is Director CSR, Communication, Public and Member Relations of COOP Alleanza 3.0.

  Since 2012, he has been a Director at Ascopiave S.p.A., where he is also a member of the Sustainability Committee.

- Mr. Giovanni Zoppas, in office since 18 April 2023, in his first mandate (**Independent Non-Executive Director, "Lead Independent Director"**).
  He was born in Vittorio Veneto (TV) on 29 May 1958. He graduated in political economy from the L. Bocconi University in Milan. He began his professional career in 1984 at Andersen Consulting. He subsequently held various positions in the Benetton Group from 1993 to 2000, until he reached the role of Group Administration and Control Director. After an experience as CFO in the pharmaceutical company GlaxoSmithKline, he was general manager of Nordica

S.p.A. from 2003 to 2006. In 2006, he joined Gruppo Coin as CFO and COO; in the same group he then held the positions of CFO and general manager of the Coin and Upim divisions as a member of the Board of Directors. In January 2012, he joined the Marcolin Group where he served as CEO and Group General Manager and in October 2017 he was appointed CEO of Thélios S.p.A. (joint venture between LVMH and the Marcolin Group).
Since 2021 he has been CEO of Tecnica Group S.p.A.
Since April 2023, he has been a member of the Board of Directors of Ascopiave S.p.A.
Appointed Lead independent director by the Board of Directors on 11 May 2023.

- Mr. Cristian Novello, in office since 4 June 2020, in his second term (**Independent Non-Executive Director**).
  He was born in Noale (VE) on 17 November 1982. He graduated in law from the University of Padua in 2007. He worked as an independent lawyer until 2015 and held directorships in corporations. To date, he has been a Director of the Administrative and Legal Area of Veneto Acque S.p.A.
  Since 2020, he has been a member of the Board of Directors of Ascopiave S.p.A., where he has held the role of Chairman of the Audit and Risk Committee and member of the Remuneration Committee .

The professional curricula of the directors are filed at the registered office and available on the Issuer's institutional website *www.gruppoascopiave.it* in the Investor Relations section.

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Please refer to Chapter 1 "*General Information*," "*Governance*" Section of the Consolidated Sustainability Report for the information required by the following sustainability reporting standards:
- ESRS 2 - Par. 19 and 20(a), in particular ESRS 2 Par. 21;
- ESRS 2 - Par. 19 and 20(c), in particular ESRS 2 Par. 23.

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Diversity benchmarks and policies in board composition and corporate organisation

The current composition of the Board of Directors of Ascopiave S.p.A. complies with the gender balance envisaged by the laws in force from time to time and by the Articles of Association, as well as the provisions of the CG Code.

Pursuant to Principle VII and Recommendation 8 of the CG Code, the Board of Directors has its own functions in the identification of diversity benchmarks, including gender, for the composition of the Board of Directors and the Board of Statutory Auditors, in compliance with the priority goal of ensuring adequate competence and professionalism of its members, as well as the identification, also taking into account the Company's ownership structure, of the most appropriate instrument for their implementation.

With regard to diversity policies, including gender policies, with reference to the composition of the current Board of Directors, we inform you that, pursuant to the current Articles of Association, the composition of the Board of Directors must ensure a balance between genders as provided by law.

In particular, at least two-fifths of the current Board of Directors is made up of directors of the least represented gender.

The current Board of Directors was appointed by the Shareholders' Meeting on 18 April 2023 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the year 2025.

Please refer to the professional curricula of the directors deposited at the company's registered office and available on the Issuer's institutional website (*www.gruppoascopiave.it*) in the "Investor Relations" section, from which the various educational and professional backgrounds and skills emerge.

With particular reference to gender balance, moreover, it should be noted that the Shareholders' Meeting held on 29 May 2020 approved amendments to the Articles of Association aimed at ensuring that the distribution of directors to be elected is carried out on the basis of a criterion that ensures gender balance, as envisaged by the new Article 147-ter, paragraph 1-ter, of the Consolidated Law on Finance, which provides that "*The lesser represented gender must obtain at least two-fifths of the directors elected.*"

It should be noted that on 23 February 2023, in compliance with Recommendation 23 of the CG Code and considering that, with the approval of the financial statements for the year 2022, its term of office ended, the Board of Directors, taking into account the results of the self-assessment ("board review") referring to the year 2022, expressed to shareholders, on a voluntary basis, in view of the renewal of the administrative body for the years 2023-2025, its guidelines on the managerial and professional figures whose presence on the new Board of Directors would be deemed appropriate. The Board of Directors suggested ensuring, compatibly with the constraints and rules of corporate governance, an adequate continuity in the composition of the Board of Directors in order to make the most of the wealth of knowledge of Ascopiave S.p.A. accrued by the directors, necessary for the continuation of the current strategic plan that is partly focused on the activities of the so-called "energy transition". In particular, the Board hoped that in renewing the administrative body, in order to ensure continuity of action for the same, the confirmation of some members would also be considered, enhancing the knowledge of the Company and the business as well as the active contribution made to the Board's work during the term of office.

Furthermore, the Board of Directors of the Company considered that an optimal composition of the administrative body of the Issuer could be ensured by compliance with certain requirements identified for the office of Chairman and Managing Director, as well as for the office of member of the Board of Directors.

It should also be noted that, in formulating the aforementioned guidelines, the Board of Directors stressed the importance of achieving an adequate diversity of gender, age, seniority in office, complementary professional and managerial/entrepreneurial experience or in non-executive roles preferably in listed companies or in any case of a complexity and size comparable to those of Ascopiave S.p.A., also taking into account the characteristics and relevance of the offices previously held.

Please note that, for a complete description of the aforementioned requirements for the Chairman and Chief Executive Officer and for the members of the Board of Directors, refer to the document "Orientations of the Board of Directors of Ascopiave S.p.A. to Shareholders on the future composition of the Board of Directors" published on 23 February 2023 on the Company's website (*www.gruppoascopiave.it* section “Investor relator” – “Shareholders’ Meetings”) and at the authorised storage mechanism “eMarket Storage” (*www.emarketstorage.com*).

It should also be noted that the expression of these guidelines is provided for in Recommendation 23 of the new CG Code, which is not mandatory for Ascopiave S.p.A., since it can be classified as a “concentrated ownership company”.

The CG Code, in Recommendation 8, suggests that issuers apply the instrument deemed most appropriate to pursue the identified diversity objective, also taking into account their ownership structures.

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Please refer to the information previously set out in this Section 4.3 “*Composition*” of the Report for the information required by the sustainability reporting standard ESRS 2 - Par. 21.

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Finally, the Board of Directors is also responsible for adopting measures to promote inclusion, equal treatment and opportunities within the entire company organisation and the enhancement of diversity, monitoring their concrete implementation. For further information on the measures introduced during the Financial Year and the related results, please refer to the consolidated “Sustainability Report” of the Ascopiave Group prepared pursuant to Legislative Decree No. 125/2024 included in the specific section of the management report within the annual financial report as at December 31, 2024, a document that will be published on the Company’s website within the terms of the law (*www.gruppoascopiave.it* “Investor relations” section, specifically https://www.gruppoascopiave.it/investor-relations/dati-finanziari/bilanci-annuali). It should also be noted that during the Financial Year, the “Sustainability Report 2023” was also published in the “Sustainability” section of the Company’s website, a document approved by the Board of Directors of Ascopiave S.p.A. in its meeting of April 12, 2024, after a positive opinion of the Sustainability Committee.

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Please refer to Chapter 3 “*Social Information*,” Section “*S1 - Own Workforce*” of the Consolidated Sustainability Report for the information required by ESRS Sustainability Reporting Standard S1 - Par. 24.

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Maximum cumulation to offices held in other companies

The Board has not deemed it necessary to define general benchmarks regarding the maximum number of administration and control positions in other companies that can be considered compatible with an effective performance of the role of director of the Issuer, taking into account the participation of directors in the committees established within the Board, without prejudice to the duty of each director to assess the compatibility of the offices of director and statutory auditor, held in other companies listed on regulated markets, in financial, banking, insurance or large companies, with the diligent performance of the duties undertaken as a director of the Issuer.

It should be noted that the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", approved by the Board of Directors on 11 November 2021, envisages the power for the Board of Directors, if deemed appropriate, to express a guideline on the maximum number of positions held by directors in the administration or control bodies in other listed or large companies that can be considered compatible with the effective performance of the office of director of the Company, taking into account the commitment deriving from the role held.
It should be noted that during 2023, in view of the board renewal, as part of the self-assessment process of the board of directors (board review) carried out on 23 February 2023, it should be noted that the Board of Directors did not deem it appropriate to express an orientation on the maximum number of positions held by directors, considering that this option envisaged by the Regulation is not mandatory for companies with non-major concentrated ownership, such as Ascopiave, in line with Recommendation 15 of Article 3 of the Corporate Governance Code. However, in the meeting held on 23 February 2023, it was stated that the Board of Directors of Ascopiave S.p.A., although it did not deem it appropriate to establish a maximum number of offices in other listed companies of significant size, upon verification of the offices held by its directors in other companies, considered that the number and quality of the offices held did not interfere and was, therefore, compatible with the effective performance of the office of director in the Issuer.

It should be noted that Table 2 shows the number of offices of directors or auditors , particularly in listed companies or companies of significant size. It should be noted that companies that are not defined as SMEs pursuant to EU Recommendation 2003/361/EC have been defined as companies of significant size. Offices in subsidiaries and associated companies are excluded. The following is a list of these positions as at December 31, 2024 only for the directors who hold them:

- Nicola Cecconato, Chairman and CEO: Hera Comm S.p.A. (Director);
- Giovanni Zoppas: Tecnica Group S.p.A. (Director - CEO), Illy Caffè S.p.A. (Director), Acantho S.p.A. (Director), Regi S.r.l. (Director), Visottica S.p.A. (Director);
- Federica Monti: Dolomiti Bus S.p.A. (Chairman of the Board of Statutory Auditors);
  Greta Pietrobon: Cogeide S.p.A. (Director).

4.4. FUNCTIONING OF THE BOARD OF DIRECTORS (Article 123-bis, paragraph 2, letter d) TUF)

On 11 November 2021, in line with Principle IX and Recommendation 11 of the CG Code, the Board of Directors of Ascopiave S.p.A. adopted the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", which defines the competences and rules of operation of the Board of Directors, Lead Independent Director and Internal Board Committees, including the convening, holding of meetings, taking of minutes and procedures for the management of pre-meeting and supplementary information to directors.
The Regulation also ensures the implementation of the principles and recommendations of the CG Code with regard to the Board of Auditors.
This document is aimed at ensuring compliance with the applicable provisions of law and the Articles of Association, as well as, to the maximum extent possible, with the principles and recommendations on corporate governance expressed in the CG Code, to which the Company adheres. For all matters

not expressly regulated, the provisions of the law and the Articles of Association, from time to time in force, applicable to the Board of Directors shall apply.

With regard to the current role of the Chairman of the Board of Directors of Ascopiave S.p.A., as clarified in the Regulation, it should be noted that, with reference to the Company's governance structure in place as at the date of approval of this Report, the functions of Chairman and CEO of Ascopiave S.p.A. are attributed to the same person and for this reason, consistently with the description in Section 4.7 "*Independent Directors*" of this Report, the Company's Board of Directors appointed a Lead independent director. That being said, it is hereby specified that the separate description in the Regulation of the functions attributed to the person holding the office of Chairman and to the person holding the office of CEO contained in the Regulation itself, a document referred to in this Report, is to be understood as merely explanatory of the duties typically attributed to such functions, it being understood that, under Ascopiave S.p.A.'s current governance structure, both offices are attributed to the same person (Chairman and CEO).

Specifically, with regard to the way in which minutes of board meetings are recorded, the Regulation provides that the resolutions passed at the meeting are to be recorded in minutes transcribed in a special book. The transcribed minutes are signed by the person who chaired the meeting and by the person who acted as secretary (or by the notary public in the cases envisaged by current legislation). They are kept at the secretary's office of the Board of Directors and remain available for consultation at the request of each of the directors and control bodies as far as they are of interest. The Chairman and CEO, also through the secretary, may make statements regarding resolutions passed at meetings of the Board of Directors when the minutes of those meetings have not yet been officialised. Consistent with the latter provision, part of the minutes, relating to resolutions adopted that require immediate execution, may be certified and extracted by the Chairman and Secretary, even prior to the completion of the minutes.
The Board of Directors passes resolutions with the majorities stipulated by law and the Articles of Association. Each member of the Board of Directors is entitled to have his vote against, abstention, if any, and the reasons thereof recorded in the minutes.
Resolutions shall be recorded in the minutes signed by the person who chaired the meeting and by the person who acted as secretary and shall be immediately enforceable unless otherwise provided.

With regard to the procedures for the management of information to directors, below are the provisions of the Regulation concerning the deadlines for the prior sending of information and the methods for protecting the confidentiality of the data and information provided, so as not to prejudice the timeliness and completeness of information flows.
In particular, prior to each meeting, the secretary, also availing himself of the support of the persons from time to time competent, shall make available to the directors and statutory auditors the documentation reasonably necessary to provide adequate information with respect to the items on the agenda. Said documentation shall be made available by the secretary at least 2 (two) calendar days in advance of the date of the meeting, except in cases of urgent convocation of the meeting and/or other cases where it is not possible to provide the documentation with such advance notice. In the latter cases, the Chairman and CEO shall ensure that, in the meeting, all the members of the Board and the Board of Statutory Auditors are adequately informed on the topics to be discussed and that adequate time is devoted to the in-depth analyses deemed useful for a proper understanding of the matter. Lastly, should particular requirements impose it, the information may be provided within a shorter period of time than the 2-calendar day period referred to above or in the meeting, in a manner to be determined on the basis of the requirements that led to the information being made available

beyond the 2-day period referred to above (e.g. by making the information available in hard copy in the meeting). Also in such cases, the Chairman and CEO shall ensure that adequate information is provided to all members of the Board and the Board of Statutory Auditors in the meeting on the topics under discussion and that adequate time is devoted to the in-depth analyses deemed useful for a proper understanding of the matter.
It should be noted that during 2024, the Company began to use a computer application to manage boards and committees that ensures traceability and allows for more efficient and effective management of business processes.

All members of the Board of Directors and the Board of Statutory Auditors, the heads of the relevant company departments or functions, and other employees of the Company and its subsidiaries, or other persons or external consultants who attend board meetings, or are otherwise familiar with their contents, are required to keep confidential the documents and information accrued by reason of their office.
They shall also comply with the rules adopted by the Company for the dissemination of the aforementioned documents and information and refrain from using confidential information for purposes other than the performance of their duties. They shall also comply with the provisions of the internal procedure adopted by the Company for the management and processing of relevant and privileged information, as well as any other applicable law provisions.

It should be noted that the recommendations in terms of the timeliness and adequacy of pre-consultation reporting were complied with during the Financial Year, in accordance with the provisions of the Regulation adopted on 11 November 2021 and published in full on the Company's website (*www.gruppoascopiave.it*, "Corporate Governance" section).

In line with Principle XII of the CG Code, each director shall ensure that adequate time is available for the diligent performance of the duties assigned to him/her (see Table 2).
During the Financial Year, 18 (eighteen) meetings of the Board of Directors were held on the following dates: January 29, 2024, February 12, 2024, February 22, 2024, February 29, 2024, March 7, 2024, March 18, 2024, March 25, 2024, April 12, 2024, May 9, 2024, June 28, 2024, July 30, 2024, September 20, 2024, September 24, 2024, October 18, 2024, November 7, 2024, December 6, 2024, December 13, 2024, and December 19, 2024.

The duration of board meetings was, on average, one hour and 15 (fifteen) minutes.

As at the date of this Report, as at the beginning of 2025, 4 (four) meetings have already been held on 13 February 2025, 20 February 2025, 27 February 2025, and 6 March 2025.
The calendar of major corporate events 2025 (already communicated to the market and Borsa Italiana S.p.A. in accordance with regulatory requirements) includes another (3) meetings on the following dates:
- 8 May 2025 - approval of Interim Report on Operations as at 31 March 2025;
- 31 July 2025 - approval of Interim Report as at 30 June 2025;
- - 6 November 2025 - approval of Interim Report as at 30 September 2025.

During the Financial Year, board meetings were also held by means of remote communication.
It should be noted that the Extraordinary Shareholders' Meeting of 29 April 2021 approved an amendment to Article 17 of the Articles of Association with reference to board meetings, expressly providing for the admissibility of meetings to be held exclusively at a distance and, therefore, without

the indication of a physical place of convocation and clarifying how, in the case of board meetings that provide for both the remote participation of the participants and a physical place of convocation, the meeting is deemed to be held in the place where the person taking the minutes is present.

4.5. ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Pursuant to Principle X of the CG Code, the Chairman of the Board of Directors of Ascopiave S.p.A. plays the role of liaison between the executive and non-executive directors and ensures the effective functioning of board proceedings.
In particular, the "Regulation of the Board of Directors, the Lead independent director and the Internal Board Committees" provides that, in addition to the powers that may be delegated to him by the Board of Directors, the Chairman and CEO - with the help of the secretary - performs the following activities in his capacity as Chairman:

(i) ensures the proper and effective functioning of the Board proceedings;
(ii) performs a liaison function between the executive and non-executive directors;
(iii) defines the proposed calendar of board meetings;
(iv) convenes Board meetings, defining the date and time, as well as the place, of convocation, the agenda and the modalities of participation, as well as the possible intervention of persons outside the Board of Directors;
(v) presides over, organises and coordinates the work of the Board of Directors and guides the conduct of its meetings, guaranteeing the effectiveness of the Board's debate and encouraging the participation of the directors and, in particular, non-executive and independent directors, soliciting their active participation in the discussion of the matters under discussion;
(vi) ensures that the pre-Board and supplementary information and documentation provided at meetings is adequate to enable directors to act in an informed manner in performing their role with respect to the matters on the agenda;
(vii) ensures that the activities of the committees with investigative, proposing and advisory functions are coordinated with the activities of the Board of Directors, being able - by way of example - to request and exchange information with the chairmen of the committees, as well as with the relevant corporate structures, to view the opinions and proposals of the committees in advance of board meetings, and to know the calendar of committee meetings in advance;
(viii) ensures that the persons responsible for each matter attend Board meetings, also at the request of individual directors, in order to provide the appropriate details on the items on the agenda;
(ix) organises induction activities for the members of the Board of Directors and/or the Board of Statutory Auditors, at the beginning and - where deemed appropriate - during their term of office, aimed at providing them with adequate knowledge of the business sectors in which the Company operates, of the Company's dynamics and their evolution also with a view to the creation of long-term value for the pursuit of sustainable success, as well as compliance with the principles of proper risk management, applicable regulations and the Corporate Governance Code;

(x) ensures the adequacy and transparency of the self-assessment process of the Board of Directors, supporting the work of the board of directors;
(xi) takes care of minute-taking in connection with board proceedings, in coordination with the secretary;
(xii) formulates proposals for the adoption or modification of a policy for managing dialogue with shareholders in general, as well as with institutional investors and asset managers, also taking into account the engagement policies adopted by the latter;
(xiii) within the framework of the organisation of the Board's work, ensures that the Board of Directors is informed, no later than the first useful meeting, of the development and significant contents of the dialogue that has taken place with all the parties mentioned in the previous point;
(xiv) formulates, in order to ensure the proper management of corporate information, proposals for the adoption of a procedure for the internal management and external communication of documents and information concerning the company, with particular reference to inside information.

On 11 May 2023, the Board of Directors took office, which, among other matters, conferred powers on the Chairman, reconfirming what had been previously attributed, in particular:

- coordinating the activities of the Board of Directors, guiding the conduct of its meetings and managing the voting, taking care, together with the secretary of the board, of the minutes of the meetings;
- instructing the resolution proposals to be submitted to the Board of Directors by setting the agenda and ensuring, also with the help of the Secretary of the Board of Directors, the timeliness and completeness of the pre-Board and Board information.

During the Financial Year, in particular, pursuant to Recommendation 12, letter a) of the CG Code, the Chairman of the Board of Directors, with the help of the Secretary of the Board of Directors, ensured that the pre-Board information was sent out at least 2 (two) calendar days in advance of the date of the meeting, except in cases of urgent convocation of the meeting and/or other cases where it is not possible to provide the documentation in such advance. In the latter cases, the Chairman ensured that, in the meeting, all the members of the Board and the Board of Statutory Auditors were provided with adequate information on the topics to be discussed and that adequate time was set aside for the in-depth analyses deemed useful for a proper understanding of the matter. Lastly, if particular requirements have so required, during the course of the Financial Year the information was provided within a shorter period of time than the 2-calendar day period mentioned above, or in the meeting, in a manner determined on the basis of the requirements that entailed making the information available beyond the 2-day period mentioned above (e.g. by making the information available in hard copy during the meeting). Even in such cases, the Chairman ensured that, in the meeting, all members of the Board and the Board of Statutory Auditors were provided with adequate information on the topics under discussion and that adequate time was devoted to the in-depth analyses deemed useful for a proper understanding of the matter.

Pursuant to Recommendation 12 (b) of the CG Code, during the Financial Year, the Chairman of the Board of Directors, with the help of the Secretary of the Board of Directors, ensured the coordination of the activities of the Internal Board Committees with the activities of the Board of Directors.

In line with Recommendation 12 (c) of the CG Code, during the Financial Year, at the invitation of the Chairman and CEO of the Board of Directors, the Director of Legal and Corporate Affairs was invited to and attended all meetings of the Board of Directors. Furthermore, during the Financial Year there was constant involvement of the departments and corporate functions competent according to the subject matter dealt with. In particular, in relation to the topics discussed, other managers of the Issuer and heads of corporate functions competent according to the subject matter, or external consultants, were invited to attend the Board of Directors' meetings in order to provide the appropriate in-depth analyses of the topics on the agenda.

During the Financial Year, in line with Recommendation 12, letter d) of the CG Code, the Chairman of the Board of Directors ensured that the members of the Board of Directors and Board of Statutory Auditors were adequately informed with a view to the sustainable success of the Issuer itself, as well as the principles of proper risk management and the regulatory and self-regulatory framework of reference, in particular, with reference to new legislation (including the new CG Code) and regulations concerning the sector in which the Issuer operates, business issues, principles of proper risk management, and the exercise of the functions of the corporate bodies, through the dissemination of information during meetings and as part of pre-meeting information.
It should be noted that, pursuant to Recommendation 12, letter e) of the CG Code, with reference to the task of the Chairman of the Board of Directors to take care of the adequacy and transparency of the self-assessment process of the Board of Directors ("board review"), as referred to in Recommendation 12, letter e) of the CG Code, on 23 February 2023 the Board of Directors, with the assistance of the Secretary of the Board of Directors carried out a formalised board review process, prior to the expiry of the three-year 2020-2023 term of office of the Board of Directors, applying the provisions of Recommendation 22 of the CG Code, in accordance with the procedures envisaged in the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees" adopted by the Board of Directors on 11 November 2021. For more information on the board review, please refer to Section 7.1 "Self-assessment and succession of directors" of this Report.

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Please refer to section 4.3 "*Composition*" of this Report for the information required by the sustainability reporting standards ESRS 2 - Par. 19 and 20(c), especially ESRS 2 - Par. 23.

Secretary of the Council

On 19 January 2022, upon the proposal of the Chairman and CEO, the Board of Directors of Ascopiave S.p.A. appointed the Head of the Corporate Affairs Function of Ascopiave S.p.A. as Secretary of the Board of Directors, a role already performed by the same person. During the Board of Directors' meeting of 11 May 2023, the Secretary of the Board of Directors was appointed.
In line with Recommendation 18 of the CG Code, the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees" stipulates that the Board of Directors of Ascopiave S.p.A. is responsible for appointing and dismissing the secretary upon the proposal of the Chairman and CEO.
The Regulation further provides that for the organisation of its work, the board of directors shall be supported by a secretary, who shall be appointed by the administrative body, also chosen from outside its members, upon the proposal of the Chairman and CEO. The secretary is appointed for

the entire duration of the term of office of the Board of Directors, unless the board of directors revokes him before the end of the term or the secretary himself resigns.
The Regulation specifies that in the event of the absence or inability of the secretary to attend a board meeting, the Board of Directors shall appoint a substitute to act as secretary for the specific meeting.
With regard to the professional requirements, in particular, the Regulation stipulates that the secretary must be a person with proven experience in the corporate sphere, with particular reference to practices concerning the corporate governance of listed companies and regulated markets, as well as corporate secretarial activities.
The Regulation provides that the secretary supports the work of the Chairman and CEO, with particular reference to the activities referred to in Recommendation 12 of the CG Code.
In general, the secretary provides impartial assistance and advice to the Chairman and CEO and the Board of Directors on any aspect relevant to the proper functioning of the corporate governance system, pursuant to the legislation in force from time to time, the Corporate Governance Code, the Articles of Association and the Rules.
In order to perform his duties, the secretary is supported by the Legal and Corporate Affairs Department, the director of which is invited and may attend meetings of the Board of Directors. In addition, the secretary has access to information and competent persons within the company that are useful or necessary for the performance of his duties.
In the event of the absence or impediment of the secretary, the powers, tasks or duties incumbent upon him/her under this Regulation shall be exercised or performed in his/her stead by the substitute.

During the Financial Year, the secretary supported the activities of the Chairman and CEO, particularly in connection with the tasks stipulated in Recommendation 12 of the CG Code. In addition, pursuant to CG Recommendation 18, during the Financial Year the secretary provided impartial assistance and advice to the Board of Directors on all aspects relevant to the proper functioning of the corporate governance system.

4.6. EXECUTIVE DIRECTORS

Managing Director

By resolution of 11 May 2023, the Issuer's Board of Directors, appointed by the Shareholders' Meeting held on 18 April 2023, resolved to appoint the Chairman of the Board of Directors, Mr. Nicola Cecconato, as Chief Executive Officer of the Company, granting him the relevant powers.
Please note that as at 1 January 2022, Mr. Nicola Cecconato will also hold the role of General Manager of Ascopiave S.p.A.. In particular, on 11 November 2021, the Board of Directors, upon the proposal of the Remuneration Committee and subject to the favourable opinion of the same Committee in its capacity as Committee for Related Party Transactions, resolved to appoint the Chairman and Chief Executive Officer Mr. Nicola Cecconato as General Manager of Ascopiave, effective 1 January 2022. At the same Board meeting, the Board also redefined the powers vested in him, effective as at 1 January 2022.
The appointment responds to the company's interest in giving stability to Mr. Cecconato's role as the Group's key manager, who has played an essential role in the important extraordinary operations that have characterised the Group in recent years.

Notice is hereby given that on 11 May 2023, the Board of Directors of Ascopiave S.p.A, appointed by the Shareholders' Meeting held on 18 April 2023, conferred to the Chairman and Chief Executive Officer, Mr Nicola Cecconato, in addition to the legal and institutional representation and the competences pertaining to him according to the law and the articles of association, powers, exercisable in compliance with the budget and the investment plan as well as with the Board of Directors' guidelines and in compliance with the Code of Ethics, the administrative and accounting separation regime (so-called unbundling) and, where applicable, the procedure for transactions with related parties.
In particular, the following powers were reconfirmed to Mr. Cecconato as Chairman and Chief Executive Officer:

- handling relations with the Company's shareholders;
- implementing the resolutions adopted by the Board of Directors;
- representing the Company in the Shareholders' Meetings of subsidiaries or investee companies, it being understood that the Board of Directors is responsible for identifying the members of the Board of Directors or the Sole Director and the control body;
- signing the deeds and correspondence of the Company relating to the delegated acts, in any case within the limits of the powers conferred;
- handling institutional relations and institutional communication, with particular reference to relations with public administration offices, for the purposes and within the scope of the corporate purpose of the company and the Ascopiave Group;
- promoting and coordinating the development of the image of the company and the Ascopiave Group;
- developing medium- to long-term strategies, submitting the contents to the Board of Directors;
- researching and identifying companies potentially subject to acquisition or integration, negotiating with identified counterparties, contacting financial and non-financial counterparties in order to identify possible ways of financing acquisition or integration activities, submitting the identified transactions and the relevant acquisition or integration proposals to the Board of Directors for its approval;
- ensuring that the committee responsible for issuing the favourable opinion on related party transactions, where required under the procedure for related party transactions in force from time to time, is involved in the negotiation and preliminary stages, through the receipt of complete, adequate and timely information on the relevant transaction;
- appointing proxies for individual acts or categories of acts, within the limits of the powers granted above, and revoke or confirm the powers granted to such proxies. Mr. Cecconato may also grant proxies within the limits described above.

We inform you that the Board of Directors' meeting of 6 March 2023 updated the powers previously granted, by resolution of the Board of Directors of 11 November 2021, to Mr. Nicola Cecconato as General Manager, which are transcribed in full below:
"Mr. Nicola Cecconato, as General Manager, in addition to his legal and institutional representation and the powers vested in him by law and by the Articles of Association, is vested with all the powers to perform the acts relating to the management, coordination and control of the activities of the corporate functions and services, including, in particular, the following powers, exercisable in compliance with the budget and the investment plan as well as the Board of Directors' guidelines and in accordance with the Code of Ethics, the administrative and accounting separation regime (so-called unbundling) and, where applicable, the procedure for transactions with related parties:

- implementing the resolutions adopted by the Board of Directors;

- managing and directing all the corporate functions and services organised in the various divisions into which the Company is divided, ensuring the necessary managerial unity and coordination within the limits set forth herein;
- signing the deeds and correspondence of the Company relating to the delegated acts, in any case within the limits of the powers conferred;
- representing the Company vis-à-vis any public administration and any public authority including the regulatory authority for energy networks and the environment, the competition and market authority, the national commission for companies and the stock exchange, by signing deeds and declarations;
- performing with public administrations all acts and operations necessary to obtain concessions, licences, authorisations or concessions or other acts falling within the competence of those administrations;
- representing the Company vis-à-vis the National Social Security Institute, the National Workers' Compensation Institute and, in general, any welfare or social security body or institution; representing the Company vis-à-vis workers' and employers' trade unions;
- representing the Company vis-à-vis associations, foundations, consortia, companies, legal persons in general and individuals, press, television and media organs and, in any case, in all institutional relations, reporting to the Board of Directors;
- handling institutional relations and institutional communication, with particular reference to relations with public administration offices, for the purposes and within the scope of the Company's corporate purpose;
- promoting and coordinating the development of the image of the Company and the Ascopiave Group in compliance with the guidelines established by the Company's Board of Directors;
- participating, consistently with the guidelines and strategies defined by the Board of Directors and providing timely information to the Board itself, in public evidence procedures, or private auctions, concerning works, supplies, services, gas distribution concessions, acquisition of shares and/or company shares, private auctions, committing and acting on behalf of the Company, directly or through a person delegated in accordance with the law, to the presentation of the relative offers and the necessary documentation, in addition to the signing and stipulation of the relative deeds;
- approving, entering into, amending and terminating contracts for the purchase and sale of goods, raw materials, movable assets in general and services (excluding the assignments referred to in the following point), performing the related procedures, provided that they fall within the corporate purpose or are in any case instrumental to the exercise of the business activity, the economic content of which does not exceed the amount of Euro 1,500,000 per individual transaction and series of interrelated transactions, within the limits of the budget;
- approving, entering into, amending and terminating contracts for the purchase and sale of real estate in general, performing the relevant procedures, the economic content of which does not exceed, per individual transaction and series of related transactions, the amount of Euro 1,000,000;
- authorising and awarding professional appointments, consultancy, services, for amounts not exceeding Euro 300,000 per individual contract, with the obligation to report periodically to the Board of Directors;
- purchasing, including through leasing contracts, selling or exchanging plant, machinery, equipment, trademarks and patents with a value not exceeding Euro 500,000 for each individual transaction, within the limits of the budget;
- purchasing, also by means of leasing contracts, motor vehicles of any kind up to the total annual amount of Euro 500,000, hiring and selling the same; allowing the cancellation of mortgages and

motor vehicle liens, with or without collection of the related credit, with the exemption of the registrar of the public motor vehicle register from any obligation or liability in this respect;

- opening and closing current accounts in the name and on behalf of the Company at the post office account administration and credit institutions in general;
- disposing of and withdrawing from bank and postal current accounts, including by means of cheques of any kind to the order of third parties or of the Company, or by means of electronic systems (electronic banking of any kind provided by banks, the Internet or similar) from cash on hand or from accounts payable within the limits of the credit lines granted to the Company; to make deposits of any kind on bank and postal current accounts in the Company's name and to endorse for credit and/or collection on such accounts cheques and money orders or other payment instruments;
- managing the company's liquidity and cash flows, including in the context of group financial management and strategies;
- sending third-party collection orders (sdd or similar), including related transactions, to the banking system;
- managing and collecting any credit of the Company;
- entering into, amending, terminating credit and loan agreements, agreeing on credit facilities and other banking facilities, up to a maximum limit of Euro 5,000,000.00 (five million/00) per individual agreement;
- requesting and/or issuing sureties, in the interest of Ascopiave and/or its subsidiaries or investee companies, for commitments falling within the scope of the activities referred to in its corporate purpose, for amounts of up to Euro 5,000,000.00 (five million/00) per individual transaction or series of related transactions;
- implementing the decisions of the Board of Directors concerning the use of derivative instruments within the limits of the risk policies approved by the Board, with the support of the Chief Financial Officer;
- signing communications and tax declarations for the purposes of direct and indirect taxation, with the power to assign powers and relative fulfilments to the persons in charge of the competent offices of the Company;
- hiring, dismissing, promoting and suspending managerial and salaried staff, determining their qualifications, remuneration and organisational grading, exercising disciplinary power and imposing sanctions;
- establishing real or compulsory rights over the Company's real estate;
- intervening in bankruptcy or other insolvency proceedings by performing all necessary acts;
- initiating and supporting extrajudicial and judicial actions (civil, criminal, administrative and tax) in any order and level of jurisdiction (also for revocation judgments and before higher courts), acting as plaintiff and defendant, electing domicile for this purpose, appointing and revoking lawyers, attorneys at law and experts, and settling judicial proceedings up to the amount of Euro 500,000; filing and revoking complaints, denunciations, exposés and any act introducing criminal proceedings;
- fulfilling all the obligations, by signing the relevant acts, in compliance with the applicable legislation on the protection of personal data, by, among other matters, drawing up the register of processing operations, drafting internal procedures on the management of personal data, appointing internal data processors and appointing one or more external data processors;
- appointing attorneys for individual acts or categories of acts, within the limits of the powers granted above, and revoke or confirm the powers granted to such attorneys. Mr Cecconato may also grant proxies within the limits described above."

It should also be noted that on 15 January 2021, the Board of Directors of Ascopiave S.p.A. examined and formally adhered to the new Corporate Governance Code. Recommendation 4 of the Corporate Governance Code requires the Board of Directors to define the allocation of management powers and identify who among the executive directors holds the role of Chief Executive Officer ("CEO"). This recommendation is part of the requirements of the Euronext Star Milan segment as envisaged in Article 2.2.3, paragraph 3 of the Borsa Italiana Regulation. Furthermore, the new CG Code involves the CEO as the person in charge of establishing the maintenance of the internal control and risk management system and assigns him certain tasks pursuant to Recommendation 34 of the CG Code.
In the meeting of 28 January 2021, the Board of Directors therefore resolved to qualify the Chairman and Chief Executive Officer, Mr. Nicola Cecconato, as CEO also pursuant to the new Corporate Governance Code.
It should also be noted that in the Board meeting of 11 November 2021, as at 1 January 2022, the Chief Executive Officer is also assigned the role of director in charge of establishing and maintaining the internal control and risk management system, pursuant to the CG Code of Borsa Italiana S.p.A.

On 11 May 2023, the current Board of Directors took office, which, among other matters, appointed the Chairman, Mr. Nicola Cecconato, as Chief Executive Officer and, considering his significant management powers in the role of General Manager of the Company, the Board qualified him as Chief Executive Officer of Ascopiave S.p.A. pursuant to the Corporate Governance Code. In the same meeting, he was also assigned the role of director in charge of setting up and maintaining the internal control and risk management system, pursuant to Recommendation 32 of the Corporate Governance Code of Borsa Italiana S.p.A.

Chairman of the Board of Directors

On 28 January 2021, the Board of Directors qualified the Chairman and Chief Executive Officer, Mr. Nicola Cecconato, as Chief Executive Officer of the Issuer, also pursuant to the CG Code.
In this regard, it should be noted that the Chairman has been appointed Chief Executive Officer and has been granted significant management powers. As a result of these powers, on 28 January 2021, the Chairman and Chief Executive Officer therefore also qualifies as CEO pursuant to the Corporate Governance Code.

On 11 May 2023, the current Board of Directors took office, which, among other matters, appointed the Chairman, Mr. Nicola Cecconato, as Chief Executive Officer and, considering his significant management powers in the role of General Manager of the Company, the Board qualified him as Chief Executive Officer of Ascopiave S.p.A. pursuant to the Corporate Governance Code. In the same meeting, he was also assigned the role of director in charge of setting up and maintaining the internal control and risk management system, pursuant to Recommendation 32 of the Corporate Governance Code of Borsa Italiana S.p.A.

It should be noted that the Chairman and Chief Executive Officer, Mr. Cecconato, is not the controlling shareholder of the Issuer.
For further information, please refer to the "Managing Director" Section above.

Information to the Board by the Directors/delegated bodies

In Article 19.5 of the Articles of Association, the delegated bodies are required to report to the Board of Directors and the Board of Statutory Auditors at least quarterly on their work, the general performance of operations, its foreseeable evolution, and the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries; in particular, the Chairman is required to report on transactions in which he has an interest on his own behalf or on behalf of third parties.
With respect to the provisions of the articles of association, it should be noted that the delegated persons report and involve the board of directors on the activities carried out at each meeting of the Board of Directors. On the other hand, on the occasion of the approval of the annual and half-yearly financial statements and interim reports, management results and related performance indicators are reported.

Other executive directors

There are no other executive directors on the Board of Directors of Ascopiave S.p.A. other than the Chairman and Chief Executive Officer, Mr. Nicola Cecconato (who was qualified as CEO of the Issuer by the Board of Directors on 28 January 2021, also pursuant to the new CG Code, and subsequently by the Board of Directors on 11 May 2023).

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Please refer to Section 4.1 “Role of the Board of Directors” of this Report for the information required by the following sustainability reporting principles:
- ESRS 2 - Par. 19 and 20(b), especially ESRS 2 Sec. 22;
- ESRS 2 - Par. 24, in particular ESRS 2 Par. 26.

4.7. INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR

Independent directors

Pursuant to Principle VI of the CG Code, the number and competencies of the Issuer’s non-executive directors are such as to ensure that they have significant weight in the taking of board resolutions and to guarantee effective monitoring of management.
In particular, during the Financial Year, the Issuer’s Board of Directors included four independent directors, i.e., directors of the Company who meet the independence requirements envisaged in Article 148, paragraph 3, of the Consolidated Law on Finance, as referred to in Article 147-ter, paragraph 4, of the Consolidated Law on Finance, and in the regulations applicable from time to time, and recognised by the Board of Directors as meeting the independence requirements envisaged in Article 2 of the Corporate Governance Code, also taking into account the quantitative and qualitative benchmarks defined by the Board of Directors for the assessment of the significance of commercial, financial or professional relations for the purposes of the existence of the aforesaid independence requirements.
The number and competences of the Issuer’s independent directors are appropriate to the needs of the company and the functioning of the board of directors, as well as the constitution of the relevant committees, in line with Recommendation 5 of the CG Code.

The number of independent directors (4 out of a Board of 7) is adequate both on the basis of the provisions of Article IA.2.10.6 of the Stock Exchange Instructions, and in relation to the size of the Board and the Issuer's business; lastly, it is sufficient for the constitution of the Internal Board Committees that the Company has decided to adopt.
It should be noted that the Chairman of the Board of Directors, Mr. Nicola Cecconato, is also Managing Director as well as CEO and therefore did not qualify as an independent director.

Pursuant to Recommendation 6 of Article 2 of the CG Code, the Issuer's Board of Directors assessed the independence of each non-executive director immediately after appointment as well as during the term of office upon the occurrence of circumstances relevant to independence and in any case at least once a year.
Furthermore, Article 2.2.3, paragraph 3, letter m) of the Borsa Italiana Regulation, for the purposes of maintaining qualification in the Euronext STAR Milan segment, requires the issuer to apply, with regard to the composition of the Board of Directors and the role and functions of non-executive and independent directors, the principles and recommendations envisaged in Article 2 (excluding Recommendations 5, third and fourth paragraphs, and Recommendation 8) of the Corporate Governance Code.

Consistently, on 22 February 2024, the Board of Directors of Ascopiave S.p.A. carried out the annual assessment of the existence of the independence requirements for each of the non-executive directors, considering all the information available, in particular that provided by the directors being assessed, assessing all the circumstances that appear to compromise independence identified by the Consolidated Law on Finance and the CG Code (Recommendation 6) and applying all the benchmarks envisaged in the CG Code with reference to the independence of directors (Recommendation 7), as well as the quantitative and qualitative benchmarks, approved by the Board of Directors on 28 January 2021, for assessing the materiality referred to in letters c) and d) of Recommendation 7 of the CG Code. In this regard, it should be noted that there were no changes with respect to the results of the previous annual verification of independence requirements carried out on 23 February 2023.

In this regard, it should be noted that in its meeting of 28 January 2021, the Board of Directors defined the following quantitative and qualitative benchmarks for assessing the materiality referred to in points c) and d) of Recommendation 7 of the Corporate Governance Code:

- for the purposes of Recommendation 7(c) of the Corporate Governance Code is to be regarded as "significant":
  - (a) a relationship of a commercial or financial nature (with Ascopiave S.p.A. and/or with companies controlled by it and/or with Asco Holding S.p.A. and/or with their respective directors or top managers) whose overall annual fee payable to the director (or to companies controlled by the director or of which the director is an executive director): (i) amounts to 5% or more of the total annual turnover of the director (in the case of a director who is an individual entrepreneur) or of the company or entity over which the director has control or of which he/she is an executive director; and/or (ii) amounts to 20% or more of the total annual costs incurred by Ascopiave S.p.A. for services that are attributable to the same type of relationship as the commercial or financial relationship concerned;
  - (b) a relationship of a professional nature where the aggregate annual fee payable to the

director (or to the professional firm or consulting company of which the director is a partner) (i) (a) in the case of a consultant acting as an individual professional, affects 20% or more of the relevant total annual turnover; or (b) in the case of a consultant who is a partner in a law firm or consulting company, affects 5% or more of the total annual turnover of the law firm or consulting company and/or (ii) affects 20% or more of the total annual costs incurred by Ascopiave S.p.A. for services that can be traced back to assignments of a similar nature to the professional relationship under examination.

It is understood that, even if the quantitative parameters envisaged in points (a) and (b) are not exceeded, a relationship of a commercial, financial or professional nature is to be deemed "significant" for the purposes of Recommendation 7, letter c) of the Corporate Governance Code if it is deemed by the Board of Directors to be capable of conditioning the autonomy of judgement and independence of a director of the Company in the performance of his or her duties. Therefore, purely by way of example, in the case of a director who is a partner in a professional firm or consulting company, the Board of Directors, regardless of the quantitative parameters indicated above, may consider as "significant" a relationship that (i) may have an effect on the position and/or role held by the director within the firm/consulting company and/or (ii) relates to important operations of Ascopiave S.p.A. and the Ascopiave Group and may, therefore, have a significance for the director in reputational terms.

- for the purposes of Recommendation 7, lett. d) of the Corporate Governance Code, additional remuneration received by a director for offices in Ascopiave S.p.A., Asco Holding S.p.A. or in companies controlled by Ascopiave S.p.A. is to be considered "significant" if it exceeds, on an annual basis, 90% of the fixed annual remuneration received by such director for the office of director of Ascopiave (including any remuneration for participation in Internal Board Committees).

  It is understood that for the purposes of the Corporate Governance Code (a) "fixed remuneration for office" means: (i) the remuneration determined by the shareholders' meeting for all directors or established by the board of directors for all non-executive directors within the total amount resolved by the shareholders' meeting for the entire board of directors; and (ii) any remuneration awarded by reason of the particular office held by the individual non-executive director within the board of directors (Chairman, Deputy Chairman, Lead Independent Director), defined in accordance with the best practices envisaged in Recommendation 25 of the Corporate Governance Code; (b) "remuneration for participation in Internal Board Committees" means the remuneration that the individual director receives by reason of his or her participation in the Internal Board Committees envisaged by the Corporate Governance Code or by committees/ bodies envisaged by the applicable laws and regulations, with the exclusion of the remuneration deriving from participation in any executive committees. It is also understood that, for the purposes of determining the "additional remuneration" received by a director of Ascopiave S.p.A., the "fixed remuneration for the office" and the "remuneration provided for participation in the Internal Board Committees" (as defined above pursuant to the Corporate Governance Code) received by such director at subsidiaries and/or at Asco Holding are relevant.

It should be noted that the fact of being a "close family member" of a person in one of the aforementioned situations, where "close family members" include, but are not limited to, parents, children, spouses who are not legally separated, and cohabitees, also constitutes a circumstance that may compromise a director's independence.

Furthermore, in order to specify the circumstances of Recommendation 7, letter b) of the CG Code, where reference is made to the subsidiary company having strategic relevance, on 22 February 2024, the Board of Directors expressed its opinion on the strategic relevance of the subsidiaries and established the relevance of all the subsidiaries, excluding Edigas Esercizio Distribuzione Gas S.p.A.

and AP Reti Gas Rovigo S.r.l. (both companies were involved in a path of rationalisation of the distribution companies of the Ascopiave Group, in particular through a project of mergers and demergers in favour of the companies AP Reti Gas S.p.A. and AP Reti Gas Nord Ovest S.p.A., implemented with civil law effective December 31, 2024 and accounting/fiscal effective January 1, 2024).
After the end of the Financial Year, on February 20, 2025 the Board of Directors expressed its opinion on the strategic relevance of subsidiaries and established the relevance of all subsidiaries, excluding Cart Acqua S.r.l.

In line with the provisions of Recommendation 6 of the Corporate Governance Code, at its meeting of 11 May 2023, the newly appointed Board of Directors assessed the existence of the independence requirements of the non-executive directors Luisa Vecchiato, Federica Monti, Giovanni Zoppas and Cristian Novello.
During this meeting, the Board of Directors resolved that the non-executive directors Enrico Quarello and Greta Pietrobon did not meet the requirements necessary to qualify them as independent directors, consistently with what the same directors had declared when accepting the office of director in advance.
In addition, pursuant to Recommendation 10 of the CG Code, the Board of Directors also disclosed the outcome of its assessments, after its appointment, by means of a press release to the market. The benchmarks used to assess the materiality of the relationships were specified in this press release.
In carrying out these checks, the Board of Directors applied the provisions of Recommendations 6 and 7 of the CG Code.
The independent directors therefore meet the independence requirements set forth by the CG Code, as well as by Article 148, paragraph 3, letters a), b) and c) of the Consolidated Law on Finance. It should be noted that, after the close of the financial year, on 20 February 2025, the Board of Directors of Ascopiave S.p.A. once again carried out the annual assessment of the existence of the independence requirements for each of the non-executive directors, considering all the information available, in particular that provided by the directors being assessed, assessing all the circumstances that appear to compromise independence identified by the TUF and the CG Code (Recommendation 6) and applying all the benchmarks envisaged in the CG Code with reference to the independence of directors (Recommendation 7), as well as the quantitative and qualitative benchmarks, approved by the Board of Directors on 28 January 2021, for the assessment of materiality referred to in letters c) and d) of Recommendation 7 of the CG Code. In this regard, it should be noted that there are no changes with respect to the results of the previous audit carried out on 22 February 2024.

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After the appointment of the Board of Directors, during the Board meeting held on 11 May 2023, the Board of Statutory Auditors verified the correct application of the benchmarks and assessment procedures adopted by the new Board to evaluate the independence of its members, pursuant to Article 149, paragraph 1, letter c-bis of the Consolidated Law on Finance, and the outcome of this control was disclosed in a press release to the market. The same checks were also carried out by the Board of Statutory Auditors on 22 February 2024 and, after the end of the Financial Year, on 20 February 2025, and the outcome of these checks is disclosed through the publication of this Report.
In addition, during the course of the Financial Year, the Board of Statutory Auditors also verified the independence requirements of its members after their appointment, in particular at the meeting of 8 May 2023.

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However, it should be noted that on 11 March 2019, the Board of Directors of Ascopiave S.p.A. deemed it appropriate to establish an internal Committee of Independent Directors of which only the independent directors of Ascopiave S.p.A. are members.
For further information on the Committee of Independent Directors, please refer to Section No. 6 “Internal Board Committees” of this Report.

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It should be noted that the directors who indicated their eligibility to qualify as independent in the lists for appointment to the Board did not undertake to maintain their independence during their term of office and, if necessary, to resign.

Lead independent director

Recommendation 13 of the CG Code stipulates that a Lead independent director must be appointed if the chairman is CEO or is primarily responsible for the management of the company or if the chairman has significant management powers.
In its meeting of 28 January 2021, the Board of Directors identified Mr Nicola Cecconato as the Lead independent director, i.e. CEO, also pursuant to the new CG Code, who is also in charge of establishing and maintaining the internal control and risk management system pursuant to Recommendation 32 of the CG Code. It then appointed director Greta Pietrobon as Lead independent director of Ascopiave S.p.A. pursuant to Recommendation 13 of the CG Code.

On 11 May 2023, the current Board of Directors took office, which, among other matters, appointed the Chairman, Mr. Nicola Cecconato, as Chief Executive Officer and, considering his significant management powers in the role of General Manager of the Company, the Board qualified him as Chief Executive Officer of Ascopiave S.p.A. pursuant to the Corporate Governance Code. During the same meeting, he was also assigned the role of director in charge of setting up and maintaining the internal control and risk management system, pursuant to Recommendation 32 of the Corporate Governance Code of Borsa Italiana S.p.A.
On 11 May 2023, the Board of Directors therefore appointed director Giovanni Zoppas as the Lead independent director.

The “Regulation of the Board of Directors, Lead independent director and Internal Board Committees”, adopted by the Board of Directors on 11 November 2021, provides that the Lead independent director (i) represents a point of reference and coordination of the requests and contributions of non-executive directors and, in particular, of independent directors and (ii) convenes and coordinates, with the support of the secretary, the meetings of the Committee of Independent Directors .

During the Financial Year, the Lead independent director did not convene a meeting with the independent directors (hereinafter also referred to as the “Committee of Independent Directors” or “CAI”). It should be noted that after the end of the Financial Year and up to the date of this Report, the Lead independent director convened a meeting with the independent directors (hereinafter also referred to as the “Committee of Independent Directors” or “CAI”) on February 13, 2025 for the purpose of reviewing the main activities carried out during 2024. At this meeting, the Lead independent director acted as the Chairman of the meeting.

It is also informed that, in order to enable the independent directors to meet, in the absence of the other directors, to consider issues deemed of interest with respect to the functioning of the board and corporate management, pursuant to Principle VI and Recommendation 5 of the CG Code, the LID has taken steps to liaise periodically with the Chairman and CEO of Ascopiave in order to ensure that board resolutions are taken such as to ensure effective monitoring of management.

5. MANAGEMENT OF CORPORATE INFORMATION

In line with Recommendation 1, letter f) of the Corporate Governance Code, on 28 January 2021, the Board of Directors of Ascopiave S.p.A. approved the update of the "Procedure for the management and processing of inside information, for the disclosure of notice to the public and for the management of persons with access to inside information" (hereinafter the "Procedure") in line with the applicable laws and regulations on the subject.

The Procedure contains provisions on:

- management and processing of inside information;
- procedures to be observed for the disclosure to the public of inside information directly concerning Ascopiave S.p.A. and/or its subsidiaries, with reference, in the case of the latter, to information relevant to Ascopiave S.p.A.'s price sensitivity;
- management of the register of persons with access to specific relevant information and inside information.

The Person Responsible for Keeping Records is responsible for keeping and updating the register of persons who have access to specific relevant information and inside information, the management of which is carried out in accordance with the benchmarks and procedures envisaged in the aforementioned Procedure.

It should be noted that the "Procedure for the Management and Processing of Inside Information, for the Disclosure of Notices to the Public and for the Management of the Register of Persons with Access to Inside Information" is available on the Issuer's website *www.gruppoascopiave.it* in the section Corporate Governance/System and Rules/Private Information Management Procedure.

The "Internal Dealing Code" was last updated on 30 July 2024, in line with the applicable laws and regulations.
The "Internal Dealing Code" regulates the procedures and timing for the disclosure to Ascopiave S.p.A., Consob and the market of information on transactions carried out directly or indirectly by so-called relevant persons, relevant shareholders and persons closely related to them on the ordinary shares of Ascopiave S.p.A. or credit instruments, derivatives or other financial instruments linked to them.
Please note that this code is available on the Issuer's website *www.gruppoascopiave.it* in the section Corporate Governance/System and Rules/Internal Dealing Code.

Furthermore, pursuant to Article 2.6.1 of the Stock Exchange Regulations, the Board of 23 June 2015 appointed the head of the Compliance Department and, as her replacement, the Director of Strategy Planning and Control - Investor Relator, as Information Referent of Ascopiave S.p.A., assigning the task of fulfilling the legal and regulatory requirements to the aforementioned Information Referent, with particular reference to those on the subject of mandatory corporate disclosure and the dissemination to the market of information relating to transactions subject to the "Code of Internal Dealing".

6. INTERNAL BOARD COMMITTEES (pursuant to Article 123-bis, paragraph 2, letter d), TUF)

Pursuant to Principle XI of the Corporate Governance Code, the Board of Directors of Ascopiave S.p.A. has ensured an adequate internal division of its functions and established Board committees with investigative, propositional and advisory functions. This competence of the Board is provided for in the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees" approved by the Board on 11 November 2021.
The Issuer's Board of Directors includes the Remuneration Committee, the Audit and Risk Committee, the Sustainability Committee and the Committee of Independent Directors.

The Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 29 April 2021, among other matters, approved an amendment to Article 19 of the Articles of Association with the aim of granting the Board of Directors greater flexibility in setting up Internal Board Committees and in defining their composition and the rules governing their operation.
In addition to this Section, for more information on the composition and functioning of the Remuneration Committee, please refer to Section 8.2 and Section 9.2 for the Audit and Risk Committee.

In line with Recommendation 11 of the CG Code, on 11 November 2021, the Board of Directors of Ascopiave S.p.A. adopted the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", which defines the competences and operating rules of the Board of Directors, Lead independent director and Internal Board Committees, including the convening, holding of meetings, minute-taking and procedures for the management of pre-meeting and supplementary information to directors. In particular, also with regard to the Internal Board Committees, the Regulation identifies the terms for the prior submission of information and the procedures for protecting the confidentiality of the data and information provided so as not to prejudice the timeliness and completeness of information flows.

With specific reference to the modalities of functioning of the meetings of the Internal Board Committees, the Regulation provides that the committees shall meet, at least annually: (i) when convened by its chairman whenever he deems it appropriate, or (ii) when requested by the chairman of the Board of Statutory Auditors, the Chairman of the Board of Directors or each member of the committees themselves. In the cases referred to in point (ii) above, the committee must be held within 5 working days from the date of the relative request to convene it.
Pursuant to the Regulation, the chairman of each committee, where necessary, shall ensure that the documentation reasonably necessary to ensure that the members of the committee are adequately informed with respect to the items on the agenda, so as to enable them to act in an informed manner when performing their role within the committee. In order to collect all the information necessary for the performance of its duties, it may interact, through the secretary, with the persons within the company competent for the subject matter. In addition, the chairman of each committee, if necessary, may invite to individual meetings the Chairman and CEO, the other directors and, informing the Chairman and CEO, representatives of company departments and functions or other persons

competent by subject matter or advisors to the Company or the committee, including members of other committees and/or representatives of the control bodies.
In the course of the Financial Year, there was constant involvement of the relevant company departments and functions according to the subject matter dealt with in the course of the meetings of the Internal Board Committees.

Furthermore, the chairman of each committee, if necessary, presides over the meetings and, in the event of his absence or impediment, is replaced by a member chosen by those present, and informs the Board of Directors of the committee's activities at the first useful meeting.

With regard to the manner in which minutes are taken, the Regulation provides that summary minutes are taken of the decisions taken by each committee, which, among other matters, note any dissent expressed by the members of each committee. The chairperson and secretary of each committee sign the minutes of the meetings, which are kept by the secretary of the committee in chronological order in a special book, for possible consultation, to the extent of interest, of the members of the committees themselves, as well as the other directors and supervisory bodies.

With regard to the management of the information provided to the members of the committees, the Regulation provides that the documentation shall be made available to each committee at least two (2) calendar days in advance of the date of the meeting, except in the case of an urgent call of the meeting and/or other cases where it is not possible to provide the documentation in such advance. In the latter cases, the chairperson of the committee shall ensure that appropriate and punctual investigations are carried out during the meeting. Lastly, if particular needs (including confidentiality requirements) so require, the information may be provided within a shorter period of time than the 2-calendar-day period referred to above, or during the meeting, in a manner to be determined on the basis of the needs that led to the information being made available beyond the 2-day period referred to above (e.g. by making the information available in hard copy during the meeting).
The presence of the majority of the members in office is required for the meetings of the committees to be valid. Decisions of the committees shall be taken by an absolute majority of those present; in the event of a tie, the vote of the chairman of the committee (and not the chairman of the meeting if different from the chairman of the committee) shall prevail.
It should be noted that, during the Financial Year, the timeliness and adequacy of the information provided to committee members was ensured, in compliance with the provisions of the Regulation.

In line with Recommendation 16 of the CG Code, the Regulation provides that the functions that the CG Code assigns to committees may also be distributed differently or merged into a single committee, provided that adequate information is provided on the tasks and activities performed for each of the assigned functions and that the CG Code's recommendations for the composition of the relevant committees are complied with. The functions of one or more committees may also be attributed to the entire Board of Directors, under the coordination of the Chairman and CEO, provided that the conditions for this purpose envisaged in the CG Code in relation to each committee are met.

It should be noted that during the Financial Year, the Board of Directors did not set up an internal appointments committee, as it did not deem it necessary considering the size and shareholder structure of the Company, reserving the relevant functions to the entire Board, under the coordination of the Chairman and CEO. This choice of governance is in line with the provisions of Recommendation 16 of the CG Code, since the majority of the company's Board of Directors is

made up of independent directors (it should also be noted that, pursuant to the provisions of the last paragraph of Recommendation 16 of the CG Code, since Ascopiave S.p.A. is classified as a company with non-major concentrated ownership, the functions of the appointments committee can be assigned to the Board of Directors, even in the absence of this condition).
In particular, adequate space is reserved at board meetings for the performance of the task of identifying the most suitable persons to hold positions within the various corporate governance bodies.

Pursuant to Recommendation 17 of the CG Code, the Board has determined the composition of the committees by favouring the competence and experience of their members and avoiding an excessive concentration of tasks.

Additional committees (other than those envisaged by law or recommended by the Code)

In line with Recommendation 1 letter a) of the CG Code, on 11 November 2021 the Board of Directors of Ascopiave S.p.A. established the Sustainability Committee. The Sustainability Committee has the task of assisting the Board of Directors with investigative, propositional and advisory functions in the Company's assessments and decisions regarding environmental, social and economic sustainability and, in particular, with reference to activities related to the so-called "energy transition".
The current Committee, appointed by the Board of Directors on 11 May 2023, is composed of the following Directors: Greta Pietrobon as Chairman, Monti Federica and Enrico Quarello as members (see Table 3).
The "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", adopted by the Board of Directors on 11 November 2021, also regulates the competences and operating rules of the Sustainability Committee.
The Regulation provides that Internal Board Committees shall be composed of at least three directors, as decided by the Board of Directors from time to time at the time of their appointment, all of whom shall be non-executive and at least a majority of whom shall be independent; the chairman of each committee shall be chosen from among the independent directors. However, it should be noted that, with reference to the Sustainability Committee, as an exception to this composition, the Regulation provides that the Board of Directors may establish a Sustainability Committee composed of members of the Board of Directors and senior management of the Company with expertise in sustainability issues.

In particular, the following responsibilities are assigned to the Sustainability Committee:

(i) elaborating and proposing to the Board of Directors a guideline that integrates the pursuit of sustainable success into the business processes, the Group's industrial plan and the performance targets in terms of remuneration in order to pursue the sustainable success of the Company; these principles are shared with the Audit and Risk Committee to support the latter's assessment of the suitability of periodic financial and non-financial reporting to correctly represent the business model, the Company's strategies, the impact of its activities and the performance achieved, pursuant to par. 4.4.3 (ii) of the Regulation;
(ii) monitoring the dissemination of the culture of sustainability at corporate level and make proposals to the Board of Directors for the adoption of initiatives aimed at promoting it;
(iii) supporting the Board of Directors in assessing the social, environmental and economic impacts of business activities;

(iv) expressing opinions on the sustainability objectives defined by the Board of Directors so that they are correctly identified, as well as adequately measured, managed and monitored;
(v) where introduced, monitoring the Company's positioning in the main sustainability indices and report to the Board on this;
(vi) expressing opinions on the initiatives and programmes promoted by the Company or its subsidiaries on corporate social responsibility and environmental social governance and monitor their implementation;
(vii) upon indication of the Board of Directors, formulating opinions and proposals concerning specific corporate social responsibility issues;
(viii) examining, in advance of the Board of Directors' examination, the sustainability report submitted annually to the Board of Directors (if prepared);
(ix) coordinating activities with the Remuneration Committee for profiles relating to the integration of "Environmental Social Governance" objectives in the remuneration policy;
(x) coordinating activities with the Audit and Risk Committee in the elaboration of annual and multi-year sustainability objectives to be achieved with specific reference to the management of correlated medium- and long-term risks pertaining to the Company and its subsidiaries.

During the Financial Year, 6 (six) meetings of the Sustainability Committee were held on 10 April 2024, 9 December 2024, and, together with the Audit and Risk Committee, on 7 March 2024, 9 May 2024, 30 July 2024 and 7 November 2024. There have been no changes in the composition of the Sustainability Committee since the end of the Financial Year. The meetings of the Sustainability Committee are coordinated by the Chairman of the Committee, with the support of the secretary, and are duly minuted.
The average duration of the meetings was 30 (thirty) minutes.
The Chairman of the Sustainability Committee informs the Board of Directors of the committee's activities at the first useful meeting.
Pursuant to the Regulation, the Board of Directors may establish an annual budget for one or more committees, in relation to the external advice they may need.
In carrying out its functions, the Sustainability Committee has not used external consultants.

Since the end of the Financial Year and up to the date of this Report, 2 (two) meetings of the Sustainability Committee have been held on 18 February 2025 and on 6 March 2025. Further meetings of the Sustainability Committee may be scheduled during 2025.

Pursuant to the Regulation, on 3 February 2022, the Sustainability Committee of Ascopiave S.p.A. met for the first time, in order to initiate a process within the committee, aimed at supporting the Board of Directors of Ascopiave S.p.A. with reference to the following board responsibilities:

- adopting, upon the proposal of the Sustainability Committee, a guideline that integrates the pursuit of sustainable success into the business processes and the Group's business plan, and into the performance targets on remuneration in order to pursue the sustainable success of the Company (see paragraph 3.2.2 (i) of the Regulation) and
- defining, upon the proposal of the Sustainability Committee, the annual and multi-annual sustainability objectives to be achieved with specific reference to the management of correlated medium- and long-term risks pertaining to the Company and its subsidiaries, in coordination with the Audit and Risk Committee (see paragraph 3.2.2 (iv) of the Regulation).

Following the aforementioned path, it should also be noted that, at the proposal of the Sustainability Committee, on 21 April 2022 the Board of Directors approved the "Guidelines for the Pursuit of Sustainable Success" (hereinafter also "Guidelines"), most recently updated on December 13, 2024, upon the proposal of the Sustainability Committee.
On 18 March 2024, the Board of Directors approved the "Strategic Plan 2024-2027" in line with the principles envisaged in the aforementioned "Guidelines".
On 12 April 2024, on the proposal of the Sustainability Committee, the Board of Directors approved the Sustainability Report 2023.
It is also reported that after the end of the Financial Year, on February 13, 2025, the Board of Directors approved the "Strategic Plan 2025-2028" in line with the principles set by the recently updated Guidelines.

On 9 December 2024, the Sustainability Committee expressed a favourable opinion with reference to the draft of the "Procedure for the preparation of the Consolidated Sustainability Report of the Ascopiave Group", a document approved by the Board of Directors of Ascopiave S.p.A. on December 13, 2024. The purpose of this document is to define the operational process for the elaboration of the reporting in accordance with the provisions of Legislative Decree No. 125/2024 and in compliance with the European Sustainability Reporting Standards (European Sustainability Reporting Standard - "ESRS") prepared by the competent body EFRAG.

It should be noted that, after the end of the Financial Year, during the meeting of February 18, 2025, the Sustainability Committee previously reviewed the results of the dual materiality analysis carried out as part of the process of preparing the Ascopiave Group's consolidated Sustainability Report prepared in accordance with Legislative Decree No. 125/2024, which was subsequently approved by the Board of Directors. It should also be noted that the Audit and Risk Committee was also informed in advance about the findings of the dual materiality analysis on February 18, 2025.

Pursuant to the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees," the aforementioned Guidelines were shared with the Audit and Risk Committee to support the latter's assessment of the suitability of periodic financial and non-financial reporting to fairly represent the company's business model, strategies, the impact of its activities, and the performance achieved. After the end of the financial year on March 6, 2025, this activity was also implemented with regard to the draft consolidated annual financial report, which also includes in the management report the Consolidated Sustainability Report prepared pursuant to Legislative Decree No. 125/2024.
Finally, after the end of the Financial Year, on March 6, 2025, the Sustainability Committee also assisted the Board of Directors in the task of coordinating activities with the Audit and Risk Committee in the development of annual and multi-year sustainability targets to be achieved with specific reference to the management of related medium- and long-term risks pertaining to the Company and its subsidiaries. In particular, this support was implemented, in coordination with the Audit and Risk Committee, with regard to the review of the draft consolidated Sustainability Report, prepared pursuant to Legislative Decree no.
125/2024, an integral part of the Consolidated Annual Financial Report, which includes, among other things, annual and multi-year sustainability targets consistent with the "Strategic Plan 2025-2028" approved by the Board of Directors on February 13, 2025.

The Board of Statutory Auditors was invited to attend only the Sustainability Committee meetings held in conjunction with the Audit and Risk Committee.

Some meetings were not attended by all the members of the Board of Statutory Auditors.

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As anticipated in Section 4.7 "Independent Directors and Lead independent directors" of this Report, it should be noted that, on 11 March 2019, the Board of Directors of Ascopiave S.p.A. provided for the establishment of the Committee of Independent Directors from among its members.

The Committee of Independent Directors is composed of all the Independent Directors of Ascopiave S.p.A., in particular Luisa Vecchiato, Federica Monti, Giovanni Zoppas and Cristian Novello (see Table 3).

Please note that Giovanni Zoppas was appointed Lead independent director by the Board of Directors on 11 May 2023.

The "Regulation of the Board of Directors, Lead independent director and Governance Committees", adopted by the Board of Directors on 11 November 2021, governs the powers and rules of operation of the Committee of Independent Directors, which are briefly illustrated below.

In particular, pursuant to the Regulation, the Independent Directors shall meet in a special committee whenever the Lead independent director, or each of them, deems it appropriate - and, in any case, at least once a year - to discuss issues of interest with respect to the functioning and activity of the Board of Directors or company management. The Committee of Independent Directors may also be involved in the process of defining corporate regulations. In particular, with reference to the process of amending the Company's procedure for transactions with related parties, the Committee of Independent Directors is called upon to express a favourable opinion before possible amendments to the current text are brought to the attention of the Board of Directors.

The Lead independent director, if necessary, chairs the meetings of the Committee of Independent Directors and, in the event of his absence or impediment, is replaced by an independent director chosen by those present.

For the meetings of the Committee of Independent Directors to be valid, a majority of the independent directors in office must be present. Decisions of the Committee of Independent Directors are made by an absolute majority of those present; in the event of a tie, the vote of the Lead independent director prevails.

Summary minutes are taken of the decisions taken by the Committee of Independent Directors, which, among other matters, record the reasons for any dissent expressed by the members of the Committee.

During the Financial Year, no meetings of the Committee of Independent Directors were held.

After the end of the Financial Year, on 13 February 2025. the Lead independent director convened and chaired the meeting with the independent directors (hereinafter also referred to as the "Committee of Independent Directors" or "CAI"), with reference to the review of its activities during 2024, and the minutes were produced.

The duration of the meeting was 15 (fifteen) minutes, and during the meeting, in particular, the main activities carried out during 2024 were reviewed, namely, the extraordinary and strategic transaction with A2A S.p.A. related to the signing of a contract for the purchase and sale of gas network assets (press release of December 19, 2024), the exercise of the put option on the remaining 25% minority interest held in EstEnergy S.p.A. (press release Dec. 16, 2024), and the completion of extraordinary transactions related to the corporate reorganization project of gas distribution companies and operating companies in the renewable energy business of the Ascopiave Group.

This meeting of the Committee of Independent Directors was convened and coordinated by the Lead independent director, with the support of the secretary.
The Board of Statutory Auditors was invited to attend the meeting at the invitation of the lead independent director.
In carrying out its functions, the Committee of Independent Directors had access, through the secretary, to the information and corporate functions necessary for the performance of its duties and did not make use of external consultants.

Since the end of the Financial Year, there have been no changes in the composition of the Committee. During 2025, the Independent Directors Committee will schedule at least one more meeting.

Pursuant to the Regulation, the Board of Directors may establish an annual budget for one or more committees, depending on the external advice they may require.

For more information on the skills and functioning of the Internal Board Committees, please refer to the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees" available in the "Corporate Governance" section of the website *www.gruppoascopiave.it.*

7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS - APPOINTMENTS COMMITTEE

7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

In line with Principle XIV of the CG Code, the Board of Directors of Ascopiave S.p.A. is responsible for periodically assessing the effectiveness of its activities and the contribution made by its individual members ("board review"), at least every three years in view of the renewal of the board of directors, as governed by the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", adopted by the Board of Directors on 11 November 2021.

The Regulation provides that the Board of Directors periodically assesses the effectiveness of its activities and the contribution made by its individual members, through formalised activities whose implementation it supervises. To this end, the Board of Directors, at least every three years - in view of its renewal - carries out a formalised self-assessment process. The Chairman and CEO, with the help of the secretary, ensures the adequacy and transparency of this self-assessment process.
In particular, the self-assessment process is carried out in order to assess the effectiveness of the Board of Directors' and committees' activities and express an opinion on the actual functioning, size and composition of the body as a whole and of any committees, also considering its role in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system. The self-assessment also considers the contribution made by each director, taking into account the professional characteristics, experience, knowledge, competence and gender of its members, as well as their seniority in office. Following the self-assessment activity, the Board of Directors identifies any necessary or appropriate corrective actions.
The Chairman and CEO considers whether it would be appropriate for the Company to make use of external consultants to carry out the self-assessment.
The self-assessment, when conducted in-house and without the support of external consultants, is carried out in accordance with the procedures established by the Board of Directors, including guided

discussion, possibly also through the use of questionnaires concerning the size, composition and functioning of the Board of Directors and its committees, with the possibility of providing suggestions or proposals for action.

It should be noted that, in line with Recommendations 21 and 22 of the CG Code, Ascopiave S.p.A. being a "non-major concentrated-ownership company" with respect to the CG Code categories, on 23 February 2023, the Issuer's Board of Directors conducted its board review on a three-yearly basis, prior to the expiry of the board's term of office, through a discussion led by the Chairman and CEO, with the assistance of the secretary, in line with the provisions of the Regulation.
Furthermore, it should be specified that on 23 February 2023, in compliance with the provisions of Recommendation 23 of the new CG Code and considering that, with the approval of the financial statements for the year 2022, its mandate expired, the Board of Directors, taking into account the results of the aforesaid self-assessment ("board review") referred to financial year 2022, expressed to shareholders, on a voluntary basis, in view of the renewal of the administrative body for the financial years 2023-2025, the guidelines on the managerial and professional figures whose presence in the current Board of Directors would be considered appropriate. The Board of Directors suggested ensuring, compatibly with the constraints and rules of corporate governance, an adequate continuity in the composition of the administrative body in order to make the most of the knowledge legacy of Ascopiave S.p.A. accrued by the directors, necessary for the continuation of the current strategic plan that is partly focused on the activities of the so-called "energy transition". In particular, the Board hoped that in renewing the administrative body, in order to ensure continuity of action for the same, the confirmation of some members would also be considered, enhancing the knowledge of the Company and the business as well as the active contribution made to the Board's work during the term of office.
It should also be noted that, in formulating its latest guidelines, the Board of Directors emphasised the importance of achieving an adequate diversity of gender, age, seniority in office, complementary professional and managerial/entrepreneurial experience or in non-executive roles preferably in listed companies or in any case of a complexity and size comparable to those of Ascopiave S.p.A., also taking into account the characteristics and relevance of the offices previously held.
For the evaluation, the Board did not rely on the work of external consultants, but on the Company's in-house expertise.

In this regard, for further details, please also refer to what is described in Section 4.3 "*Composition*", in particular in the paragraph "*Diversity Benchmarks and Policies*".
It should be noted that this orientation, expressed on a voluntary basis, was published on the Issuer's website (www.gruppoascopiave.it section "Investor relator" – "Shareholders' Meetings") well in advance of the publication of the notice of call of the Shareholders' Meeting relating to the renewal of the Board of Directors' mandate, taking into account the Company's non-concentrated ownership structure.

Recommendation 19 letter d) of the CG Code provides that the Board of Directors entrusts the appointments committee, or if the appointments committee is not constituted, directly manages the possible presentation of a list by the outgoing board of directors to be implemented in a manner that ensures its transparent formation and presentation.
Please note that, on 29 April 2021, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. approved the proposal to amend Article 15.1 of the Articles of Association to provide for the possibility for the outgoing Board of Directors to present a list of candidates for the appointment of

the Board of Directors in order to guarantee governance stability in the event that any future changes in the shareholding structure should result in the absence of a controlling shareholder.

Moreover, Q&A 19 clarifies that the CG Code invites the shareholders submitting majority lists to make proposals on the number of members, term of office and remuneration. In this regard, please refer to the explanatory report for the Ascopiave Shareholders' Meeting held on 18 April 2023 regarding the appointment of the Board of Directors published on the Issuer's website (www.gruppoascopiave.it section "Investor relator" – "Shareholders' Meetings").

It should be noted that, in line with Recommendation 23 of the CG Code, the expression of an orientation on the optimal quantitative and qualitative composition of the Board, taking into account the results of the board review, would not be mandatory for Ascopiave S.p.A., as the same can be classified as a "non-major concentrated ownership company" with respect to the CG Code categories. However, in accordance with the provisions of the Regulation, the Board deemed it appropriate to express this orientation at the Shareholders' Meeting held on 18 April 2023, on a voluntary basis, in view of the renewal of the Board's mandate.

In addition, it should be noted that Recommendation 23 of the CG Code, which requires those who submit a list containing more than half the number of candidates to be elected to provide adequate information, in the documentation submitted for the filing of the list, on the conformity of the list with the orientation expressed by the Board of Directors and to indicate their candidate for the office of Chairman of the Board, is not mandatory for Ascopiave, since it can be classified as a "concentrated ownership company".
However, it should be specified that, in the latest guidelines approved by the Board of Directors on 23 February 2023, in line with the aforementioned Recommendation 23 of the CG Code, the Board invited shareholders who submit a list containing a number of candidates exceeding half of the members to be elected to: (i) provide adequate information, in the documentation submitted for the filing of the list, on its compliance with this guideline, also with reference to the diversity benchmarks envisaged in Principle VII and Recommendation 8 of the CG Code; (ii) indicate their candidate for the office of Chairman of the Board of Directors, whose appointment is made according to the procedures envisaged in the Articles of Association.
With reference to the appointment of the current Board of Directors, approved at the Shareholders' Meeting held on 18 April 2023, it is noted that the list presented by the majority shareholder Asco Holding S.p.A. contains the specification that the list of candidates meets the benchmarks for the composition of the Board of Directors indicated in the "Orientations of the Board of Directors of Ascopiave S.p.A. to the Shareholders on the future composition of the Board of Directors", with particular regard to the evaluations contained therein on gender diversity, seniority in office and complementarity of experience, as well as on the personal and professional characteristics and skills of the candidates.

In line with Principle XIII of the CG Code, the Regulation provides that the Board of Directors has its own functions for the definition, updating and implementation of a succession plan for the Chairman and CEO and other executive directors, if appointed, which at least identifies the procedures to be followed in the event of early termination of office.
With regard to Recommendation 24 of the CG to "provide, at least in large companies, a succession plan for executive directors that at least identifies the procedures to be followed in the event of early termination of office", it should be noted that this recommendation is not mandatory in the Company, as the Company can be classified as a "non-major concentrated ownership company" within the meaning of the CG Code.

Therefore, it should be noted that, at the Board meeting held on 11 November 2021, in view of the Company's capitalisation and shareholding structure, and therefore the absence of a fragmented shareholder base, the Board of Directors did not deem it necessary to adopt a plan for the succession of the Chairman and CEO, pursuant to Recommendation 24 of the CG Code, but considered it more useful to adopt a contingency plan.
For more information on this "Contingency plan", please refer to Section 14 "Additional Corporate Governance Practices" of this Report.

Finally, reference is also made to the procedures for the replacement of directors already envisaged by the provisions of the Articles of Association in force. In particular, the three-year term of office of all directors, envisaged in Article 15 of the Company's Articles of Association, as well as the replacement of members of the Board of Directors who ceased before the expiry of the term.

7.2 APPOINTMENTS COMMITTEE

As reported in Section 6 "Internal Board Committees" of this Report, the Board of Directors has not established an internal committee to propose candidates for appointment to the Board of Directors, as it did not deem it necessary, reserving the relevant functions to the full Board, in line with the provisions of Recommendation 16 of the CG Code. This choice was also adopted in consideration of the size, governance structure and shareholding structure of the Issuer, as well as the possibility of guaranteeing adequate supervision in the boardroom dialectic, considering the high number of independent directors.
The decision to reserve the Appointments Committee's functions to the Board was taken, after verifying compliance with the conditions envisaged in Recommendation 16 of the CG Code, reserving adequate space during Board meetings for the task of identifying the most suitable persons to hold positions within the Company's various corporate governance bodies.
Please refer to Section 7.1 "*Self-Assessment and Succession of Directors*" above, as well as Section 14 "*Additional Corporate Governance Practices*" for a description of the activities carried out by the Board of Directors.

8. DIRECTORS' REMUNERATION - REMUNERATION COMMITTEE

8.1 DIRECTORS' REMUNERATION

The information in this Section is provided by means of a reference to the relevant parts of the Report on Remuneration Policy and Compensation Paid published pursuant to Article 123-ter of the Consolidated Law on Finance, published within the terms envisaged in the applicable regulations.

In particular, please refer to the Report on Remuneration Policy and Compensation Paid in respect of the following information:
- Remuneration policy;
- Remuneration of executive directors and key management personnel;
- Share-based remuneration plans;
- Remuneration of non-executive directors;
- Maturation and disbursement of remuneration;

- Directors' indemnity in the event of resignation, dismissal or termination following a takeover bid (pursuant to Art. 123-bis(1)(i) TUF)

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Please refer to Chapter 1 "*General Information*," Section "*Governance*" of the Consolidated Sustainability Report for the information required by the sustainability reporting standard ESRS 2 - Par. 27, in particular ESRS 2 Par. 29.

8.2 REMUNERATION COMMITTEE

The Board of Directors of the Company, in accordance with Recommendation 16 of the CG Code, has established an internal Remuneration Committee.

Composition and functioning of the Remuneration Committee (pursuant to Article 123-bis, paragraph 2, letter d) TUF)
The Issuer's Remuneration Committee consists of three directors.
With reference to the current Board of Directors, the current members of the Remuneration Committee were appointed at the Board meeting of 11 May 2023.
In accordance with Recommendation 26 of the CG Code, this committee is composed of non-executive directors, the majority of whom are independent, and the chairman is an independent director. The Remuneration Committee was composed of the independent director Luisa Vecchiato, acting as Chairman, the Independent Director Cristian Novello and the Non-Executive Director Greta Pietrobon (see Table 3).
Moreover, in line with the provisions of the Corporate Governance Code, at least one member of the Remuneration Committee has knowledge and experience in financial matters or remuneration policies, deemed adequate by the Board at the time of appointment. In particular, director Greta Pietrobon has accrued adequate experience as a member of the Board of Directors in office since 24 April 2014, as well as President of the Remuneration Committee during the previous Board mandate. Director Luisa Vecchiato has accrued adequate experience as member of the Board of Directors in office since 4 June 2020 as well as member of the Remuneration Committee. Furthermore, Director Cristian Novello has accrued adequate experience as a member of the Board of Directors in office since 4 June 2020.

During the Financial Year, 5 (five) meetings of the Remuneration Committee were held, on 13 February 2024, 5 March 2024 and 4 April 2024, 19 July 2024 and 14 October 2024. The average duration of the meetings was 30 (thirty) minutes.
There have been no changes in the composition of the Remuneration Committee since the end of the Financial Year.
At the current date, further meetings of the Remuneration Committee could be scheduled for the financial year 2025.
The Committee also met, after the end of the Financial Year and up to the date of this Report, on 17 February 2025 and on 25 February 2025.

The meetings of the Remuneration Committee are coordinated by the Committee Chairman, with the support of the secretary. Meetings of the Remuneration Committee are regularly minuted.
The Chairman of the Remuneration Committee informs the Board of Directors of the committee's activities at the first useful meeting.

Pursuant to Recommendation 17 of the CG Code, the meetings of the Remuneration Committee were attended, at the invitation of the Committee Chairman and informed by the Chairman and CEO, by representatives of the relevant company departments and functions.
In particular, during the Financial Year, there was constant involvement of the relevant company departments and functions according to the subject matter dealt with during the Remuneration Committee meetings.
In line with Recommendation 26 of the CG Code, directors must abstain from attending committee meetings where proposals to the Board concerning their remuneration are made.
The Board of Statutory Auditors was invited to attend the meetings of the Remuneration Committee at the invitation of the Committee Chairman, and some meetings were not attended by all members of the Board of Statutory Auditors.

Please refer to Section 6 "Internal Board Committees" of this Report above for further information on the common operating procedures of the Internal Board Committees.

Functions of the Remuneration Committee

The "Regulation of the Board of Directors, Lead independent director and Internal Board Committees", adopted by the Board of Directors on 11 November 2021, also regulates the powers and rules of operation of the Remuneration Committee.
In particular, pursuant to Recommendation 25, letter a) of the CG Code, the Remuneration Committee has the task of assisting the Board of Directors with investigative, proposal-making and advisory functions in evaluations and decisions relating to the drafting of the remuneration policy.

In line with Recommendation 25 letter b) of the CG Code, the Regulation provides that the Remuneration Committee shall submit proposals or express opinions to the Board of Directors on the remuneration of executive directors and other directors who hold special offices as well as on the setting of performance targets related to the variable component of such remuneration and on the integration of objectives related to social, environmental, economic sustainability or so-called "Environmental Social Governance" matters in the remuneration policy.
In addition, the Committee monitors the concrete application of the remuneration policy, verifying, in particular, the actual achievement of performance targets, consistent with Recommendation 25 letter c) of the CG Code.
The Remuneration Committee periodically assesses the adequacy, at least once a year, the overall consistency and the concrete application of the policy for the remuneration of directors and key management executive, pursuant to Recommendation 25 letter d) of the CG Code.

For details of the additional functions assigned to the Remuneration Committee, please refer to the Regulation available in the "Corporate Governance" section of the Company's website, as well as Section I, Chapter 2.4 of the Report on Remuneration Policy and Remuneration Paid, prepared pursuant to Article 123-ter of the Consolidated Law on Finance and published in accordance with applicable regulations.

During the Financial Year, the Remuneration Committee met, among other matters, to discuss the following main topics:
- Report on remuneration policy and remuneration paid pursuant to Article 123-ter of the Consolidated Law on Finance: assessment of the Remuneration Policy 2024, consistency check of remuneration paid in 2023 and remuneration policy 2023;

- Review of the results of the STI Short Term Incentive 2023 Plan (so-called "Management by Objectives" or "MBO");
- Short-Term Variable Incentive Plan 2024 ("STI Plan or Short Term Incentive").

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In carrying out its functions, the Remuneration Committee had access, through the secretary, to the information and corporate functions necessary for the performance of its duties and did not make use of external consultants.
Pursuant to the Regulation, the Board of Directors may establish an annual budget for one or more committees, depending on the external advice they may require.

9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - AUDIT AND RISK COMMITTEE

With reference to the Financial Year, the following is a description of the internal control and risk management system implemented by Ascopiave S.p.A.
The Company has adopted an internal control and risk management system that complies with the principles and recommendations of the CG Code and is aligned with reference best practices.
In line with Principle XIX and Recommendation 33, letter a) of the CG Code, during the Financial Year the Board of Directors of Ascopiave S.p.A. defined the guidelines of the internal control and risk management system - consisting of the set of rules, procedures and organisational structures aimed at an effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company - in line with the Issuer's strategies.

In particular, it should be noted that, as part of the approval process of the "2020-2024 Strategic Plan", which took place on 15 January 2021, the Board of Directors integrated the sustainability of the company's business into the definition of corporate strategies. On that occasion, in line with the provisions of Recommendation 1 letter c) of the CG Code, during 2021, the Board of Ascopiave S.p.A. defined the nature and level of risk compatible with the Company's strategic objectives, including in its evaluations all the elements that may be relevant in view of the Company's sustainable success.
Subsequently, the Board of Directors approved the "Strategic Plan 2021-2025," the "Strategic Plan 2022-2026," and during the Financial Year, on March 18, 2024, the "Strategic Plan 2024-2027," continuing the integration of the sustainability of business activities in the definition of corporate strategies, confirming the four strategic guidelines already indicated in the plan approved in 2023.
Finally, after the end of the Financial Year, on February 13, 2025, the Board of Directors approved the new "Strategic Plan 2025-2028," in line with the previous strategic guidelines. Specifically, the strategy that will guide the Group to 2028 is based on four pillars: growth in core businesses, diversification into synergistic sectors, economic and operational efficiency, and innovation.
The Group's strategy aims to pursue sustainable business success, integrating environmental, social and economic sustainability aspects, and is oriented towards the goal of stable value creation for shareholders, evolving a profitable relationship with other relevant stakeholders.

Ascopiave S.p.A.'s internal control and risk management system consists of the set of rules, procedures and organisational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the company's

sustainable success. This system is integrated into the more general organisational and corporate governance structures adopted by the Issuer and takes into adequate consideration the reference models and best practices existing at a national and international level.
The system is aimed at the pursuit of sustainable success, ensuring the safeguarding of corporate assets, the efficiency and effectiveness of corporate processes, the reliability of information provided to corporate bodies and stakeholders, and compliance with regulations and internal procedures.

During the Financial Year, the following risk management activities continued under the coordination of the Chief Financial Officer:

- application of the "Financial Risk Management and Control" Policy;
- application of the "Procedure for the Management of Energy Efficiency Certificates of the Ascopiave Group";
- application of the "EMIR Regulation Compliance" Procedure adopted by the Board of Directors of Ascopiave S.p.A., as well as by the other subsidiaries, which regulates the procedures for complying with the requirements of the European EMIR Regulation concerning the use of derivative instruments (i.e., timely confirmation of transactions, periodic reconciliation of the portfolio with the counterparty, reporting of all derivatives stipulated to specific trade repositories approved by ESMA), while also complying with an adequate accounting framework in line with Hedge Accounting.

It should be noted that currently the "EMIR regulation compliance" procedure is applied by Ascopiave S.p.A. on the derivatives underwritten to hedge the change in variable interest rates of some medium-term loans and the change in transfer prices of electricity produced by the hydroelectric power plants of the subsidiary Asco Power S.p.A.. The situation of the indicated derivatives is constantly monitored by the Chief Financial Officer.

In particular, at the date of approval of this Report, the Board of Directors of Ascopiave S.p.A. approved/updated the following documents:

- "Guidelines on the Exercise of the Management and Coordination Power by Ascopiave S.p.A.", update approved on 11 September 2020;
- "Ascopiave Group Energy Efficiency Certificates Management Procedure – TEE", approved on 9 November 2020;
- "Policy - Financial Risk Management and Control", update adopted on 15 January 2021;
- "EMIR Regulation Compliance Procedure", update adopted on 15 January 2021;
- "Code of Conduct on Internal Dealing", update approved on 30 July 2024;
- "Procedure for the Management and Handling of Inside Information, for Public Disclosure and for the Management of the Register of Persons with Access to Inside Information", update approved on 28 January 2021;
- "Procedure of preparation and approval of Ascopiave Group budget and annual and multi-year infrastructure development plan", update approved on 12 February 2021;
- "Procedure for Transactions with Related Parties", update approved on 21 June 2021;
- "Policy for Managing Dialogue with General Shareholders and Other Stakeholders", approved on 22 December 2021;
- "Ascopiave Group Personnel Selection Policy", update approved on 15 September 2022;
- "Policy on donations, community contributions and social impact initiatives of the Ascopiave Group", update approved on 27 July 2023;

- “Regulations for contracts for works, supplies and services, below the community threshold, within the special sectors of the Ascopiave Group”, update approved on 9 February 2023, currently undergoing further updating following the entry into force of the new Public Contracts Code (Legislative Decree No. 36/2023) and the amendments recently introduced by the Corrective Decree (Legislative Decree No. 209/2024);.
- “Enterprise Risk Management Policy,” approved on February 29, 2024;
- “Procedure for the Preparation of the Consolidated Sustainability Reporting of the Ascopiave Group,” approved on December 13, 2024;
- “Guidelines for the Pursuit of Sustainable Success,” updated on December 13, 2024.

In addition, it should be noted that on 11 November 2021, the Board of Directors approved the “Regulations of the Board of Directors, Lead independent director and Governance Committees”, which regulates, among other things, the roles and responsibilities of the Board of Directors, the Control and Risk Committee and the CEO in relation to the internal control and risk management system.

Finally, with particular reference to the above-mentioned “Enterprise Risk Management Policy”, it should be noted that this document was drafted in order to operationally decline the internal control and risk management system adopted by Ascopiave S.p.A. with reference to the Enterprise Risk Management process (hereinafter also “ERM”), which is aimed at supporting both the detection of the overall corporate risk profile and the identification of strategies and activities for the management of individual risks.

In particular, the ERM model, methodology and process are defined at Ascopiave Group level so as to guarantee the identification, assessment, management and monitoring of all risks of the Ascopiave Group that may significantly impact the achievement of strategic objectives. The ERM process is therefore integrated into the organisational and corporate governance structures of the Ascopiave Group with the aim of constantly promoting the culture and management of risks at a company level, while respecting the management autonomy of the subsidiaries of the Ascopiave Group that are subject to the regime of functional and accounting separation (so-called unbundling).

During the Financial Year, the activity to update the Group’s Policies and the Organisation, Management and Control Model continued.

Roles and Functions

Pursuant to Recommendation 32 of the CG Code, the organisation of the internal control and risk management system involves, each within its own sphere of competence, different subjects who are assigned specific roles and responsibilities:

- Board of Directors;
- Chief Executive Officer;
- Audit and Risk Committee;
- Supervisory Body pursuant to Legislative Decree No. 231/2001;
- Manager responsible for preparing the company’s financial reports;

- Corporate Departments and Functions for the processes and activities within their competence;
- Head of the Internal Audit Function;
- Reporting Committee;
- Risk Manager;
- Board of Statutory Auditors;
- Statutory Auditing Company.

In particular, in relation to the internal control and risk management system, it is up to the Board of Directors, with the support of the Control and Risk Committee, to define the guidelines of the internal control and risk management system in line with the Company's strategies and to assess its adequacy and effectiveness, at least once a year, in relation to the characteristics of the business and the risk profile assumed.
In addition, the Board, with the support of the Control and Risk Committee, is tasked with defining the principles concerning the coordination and information flows between the various parties involved in the internal control and risk management system, in order to maximise the efficiency of the system itself, reduce duplication of activities and ensure the effective performance of the tasks of the Board of Statutory Auditors..

The Control and Risk Committee has the task of assisting the Board of Directors with investigative, propositional and advisory functions in evaluations and decisions relating to the internal control and risk management system, as well as those relating to the approval of periodic financial and non-financial reports.
The Head of Internal Audit is assigned the task of verifying that the internal control and risk management system is functioning and adequate.
In addition, the heads of each of the Company's corporate structures involved are responsible, within the framework of the guidelines of the internal control and risk management system established by the Board of Directors, the directives received and the organisational provisions, in implementing these guidelines, for defining, managing and monitoring the effective functioning of the internal control and risk management system with reference to their own sphere of competence.
All employees, each according to their respective roles, contribute to ensuring the effective functioning of Ascopiave S.p.A.'s internal control and risk management system.
As at 1 October 2022, the Company established a Risk Manager to instruct and set up the development of risk management functions consistent with the organisational structure, activities and size of the Ascopiave Group.
In accordance with the provisions of Article 2.2.3, paragraph 3, letter (l) of the Stock Exchange Regulations, on 27 March 2008, Ascopiave adopted the organisation, management and control model pursuant to Article 6 of Legislative Decree No. 231 of 8 June 2001, also identifying a Supervisory Board in charge of overseeing the adequacy and effective implementation of the model; for further details, please refer to Section 9.4 "Organisational Model pursuant to Legislative Decree No. 231/2001" of this Report.
On 28 January 2021, the Board of Directors identified Mr. Cecconato as Chief Executive Officer, also pursuant to the new CG Code, who is also in charge of establishing and maintaining the internal control and risk management system, also pursuant to Recommendation 32 of the CG Code. Subsequently, on 11 May 2023, with the installation of the current Board of Directors appointed by the Shareholders' Meeting held on 18 April 2023, considering the significant management powers in

the role of General Manager of the Company, the Board qualified Mr. Nicola Cecconato as Chief Executive Officer of Ascopiave S.p.A. pursuant to the CG Code, also assigning him the role of Director in charge of establishing and maintaining the internal control and risk management system, pursuant to Recommendation 32 of the CG Code of Borsa Italiana S.p.A.

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Please refer to section 4.1 "*Role of the Board of Directors*" of this Report for the information required by the sustainability reporting principles "ESRS 2 - Paragraphs 19 and 20(b) and in particular ESRS 2 - Paragraph 22."
In addition, please refer to section 4.1 "*Role of the Board of Directors*" of this Report for the information required by the sustainability reporting principles "ESRS 2 - Paragraph 24 and in particular ESRS 2 - Paragraph 26."

Existing risk management and internal control system in relation to the financial reporting process

The internal control and risk management system in relation to the financial reporting process is designed to provide reasonable certainty that the financial information disseminated provides a true and fair representation of management events, enabling the issuance of the attestations and declarations envisaged by law on the correspondence with the documentary results, the books and accounting records of the acts and communications of the company disclosed to the market and relating to financial reporting, including interim reports, as well as on the adequacy and effective application of administrative and accounting procedures during the period to which the documents refer (annual financial report, half-yearly report, interim management report) and on their preparation in accordance with applicable international accounting standards.
In this regard, it should be recalled that, as specified in previous Reports on Corporate Governance and Ownership Structures, Ascopiave S.p.A., as an Italian company with shares traded on an Italian regulated market, is required to appoint a Manager in charge of the preparation of corporate accounting documents (the "Manager in charge of Financial Reporting"), to whom the law attributes specific competences, responsibilities and certification and declaration obligations.
As a result, as at 19 July 2007, the Board of Directors appointed a Manager in charge of Financial Reporting, who was entrusted with the task of preparing adequate administrative and accounting procedures for the formation of the financial information disclosed to the market, as well as supervising the effective compliance with these procedures, granting him adequate powers and means for the exercise of the relative tasks.
The Manager in charge of Financial Reporting developed the "Project 262" with the goal of ascertaining the adequacy of the internal control and risk management system to provide reasonable certainty as to the true and fair representation of economic, asset and financial information.
The Board has entrusted this task to the Chief Financial Officer of the Issuer, to whom it has granted adequate powers and means for the performance of duties in accordance with the provisions of Article 154-bis of Legislative Decree No. 58 of 24 February 1998.
The risk management and internal control system is based on the following characteristic elements:

- a body of corporate procedures relevant to the preparation and dissemination of financial information, consisting inter alia of financial statements and reporting operating instructions;
- a process to identify the main risks associated with financial information and the key controls to monitor the risks identified (financial risk assessment), which led to the identification, for each relevant area, of the processes/financial flows considered critical and the control activities to monitor such processes/financial flows, as well as the development of specific control matrices, which describe, for each process identified as critical and/or sensitive from a 262 perspective,

the standard control activities, key controls and related process owners. The business processes and the relevant matrices are periodically assessed and, if necessary, updated;

- process owners who are responsible for updating the control matrices; the Chief Financial Officer is responsible for checking and periodically updating the Group's administrative-accounting procedures;
- a process of periodic assessment of the adequacy and effective application of the key controls identified. The assessment is carried out every six months on the occasion of the preparation of the financial statements and the half-yearly report and is performed by the Manager in charge of Financial Reporting, in coordination with the Internal Audit Function and the Compliance Function. In particular, tests on the half-yearly controls are carried out on the basis of the priorities identified in the risk assessment phase with the support of the Compliance Function (reporting to the Legal and Corporate Affairs Department) in coordination with the Head of the Internal Audit Function; in addition, the Compliance Function also carries out monthly checks with the support of continuous auditing IT tools, sharing the results of these monthly checks with the Head of the Internal Audit Function;
- an external attestation process based on the reports and declarations made by the Manager in charge of Financial Reporting pursuant to Article 154-bis of Legislative Decree n. 58 of 24 February 1998, as part of the general process of preparing the annual financial statements or the half-yearly financial report and the interim management report, also based on the controls carried out and subject to the accounting control model, the content of which is shared with the Chairman and CEO, who submits the report or declaration to the Board of Directors, together with the accompanying accounting document, for approval by the latter. With a view to internal reporting, the Manager in charge of Financial Reporting periodically reports to the Control and Risk Committee, the Board of Statutory Auditors and the Supervisory Board (as part of the periodic information flows) on how the process of assessing the internal control and risk management system was carried out, as well as on the results of the assessments made in support of the statements or declarations issued.

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Please refer to Chapter 1 "*General Information*", "*Governance*" Section of the Consolidated Sustainability Report for information on the process of preparing the Consolidated Sustainability Report required by the Sustainability Reporting Standard ESRS 2 - Sec. 34, in particular ESRS 2 Sec. 36.

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The Board of Directors' meeting held on 29 February 2024, with reference to the financial year 2023, and on 27 February 2025 with reference to the financial year 2024, after receiving the opinion of the Control and Risk Committee, assessed the adequacy of the internal control and risk management system with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness, in line with Principle XIX and Recommendation 33, letter a) of the CG Code.
This assessment was conducted within the framework of the regular Board meetings, through the information flow constantly ensured by the actors of the internal control and risk management system.
In particular, the Board of Directors, with the support of the Control and Risk Committee, on the basis of the findings envisaged in the reports of the Manager in charge of Financial Reporting, the Head of the Internal Audit Department and the Supervisory Board of Ascopiave S.p.A. pursuant to Legislative Decree no. 231/01, the information received from the Reporting Committee, the information received from the Risk Manager and the information and procedures made available by the departments and functions of the company in the meetings held by the Control and Risk Committee during the year and, in any case, up to the date of this Report, as well as on the basis of the information collected during the meetings of the Board of Directors itself also taking into account the remedial and improvement actions underway, the remedial and improvement actions suggested by the Head of Internal Auditing, as well as

those recommended and monitored by the Control and Risk Committee, considered the internal control and risk management system to be adequate, confirming the overall assessment of the internal control and risk management system of Ascopiave S.p.A. already expressed in previous financial years, in which the internal control and risk management system was assessed as adequate and effective in relation to the characteristics of the Company and the Ascopiave Group and the risk profile assumed.

9.1 CHIEF EXECUTIVE OFFICER

On 28 January 2021, the Board of Directors identified Mr. Nicola Cecconato, Chairman and Chief Executive Officer, as Chief Executive Officer ("CEO"), also pursuant to the new Corporate Governance Code, who is also in charge of establishing and maintaining the internal control and risk management system, also pursuant to Recommendation 32, letter b) of the CG Code. Subsequently, on 11 May 2023, with the installation of the current Board of Directors appointed by the Shareholders' Meeting held on 18 April 2023, considering the significant management powers in the role of General Manager of the Company, the Board qualified Mr. Nicola Cecconato as Chief Executive Officer of Ascopiave S.p.A. pursuant to the Corporate Governance Code, also assigning him the role of director in charge of establishing and maintaining the internal control and risk management system, pursuant to Recommendation 32 of the CG Code of Borsa Italiana S.p.A.
The "Regulations of the Board of Directors, Lead independent director and Governance Committees", adopted by the Board of Directors on 11 November 2021, also regulates the powers of the Chief Executive Officer.
The Regulations provide that the Board of Directors, giving reasons for its choice, may also assign the task of establishing and maintaining the internal control and risk management system to a director other than the Chairman and CEO, provided that the latter qualifies as an executive according to the notion envisaged in the CG Code.

In particular, during the Financial Year, the Chief Executive Officer:

- Pursuant to Recommendation 34 (a) of the CG Code, it identified the main corporate risks, taking into account the characteristics of the activities carried out by the Issuer and its subsidiaries, and submitted them periodically to the Board for review;
- Pursuant to Recommendation 34 (b) of the CG Code, it implemented the guidelines defined by the Board, taking care of the design, implementation and management of the internal control and risk management system and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape.

During the Financial Year, the CEO did not entrust the Internal Audit Function with the performance of any additional actions with respect to the internal audit plan approved by the Board of Directors, as no critical issues were found during the Financial Year to justify these initiatives.
Finally, the CEO did not report to the Control and Risk Committee on any issues that arose in the course of his work or of which he is otherwise aware, so that the committee could take the appropriate initiatives, as no critical issues were found during the Financial Year that could justify such initiatives.

9.2 AUDIT AND RISK COMMITTEE

The Board of Directors of the Company, in accordance with Recommendation 16 of the CG Code, has established an internal Audit and Risk Committee.

Composition and functioning of the Audit and Risk Committee (pursuant to Article 123-bis(2)(d) TUF)

The Issuer's Audit and Risk Committee consists of three directors.
At the Board meeting of 11 May 2023, the current members of the Audit and Risk Committee were appointed.
In compliance with Recommendation 35 of the CG Code, during the Financial Year the Audit and Risk Committee was composed of non-executive directors, the majority of whom are independent, and the Chairman is an Independent Director. In particular, at the date of this Report, the Audit and Risk Committee was composed of the Independent Director Cristian Novello, acting as Chairman, the Independent Director Federica Monti and the Independent Director Luisa Vecchiato (see Table 3).

Moreover, in line with Recommendation 35 of the CG Code, the Audit and Risk Committee as a whole has adequate expertise in the business sector in which the Issuer operates, functional to assessing the relevant risks. In particular, director Cristian Novello has expertise in risk management, accrued as a member of the Board of Directors in office since 4 June 2020 and as Chairman of the Audit and Risk Committee during the previous board term. In addition, director Luisa Vecchiato has accrued adequate experience as a member of the Board of Directors in office since 4 June 2020 and skills in accounting and taxation accrued in her experience as a freelance professional. Finally, director Federica Monti has accounting and tax expertise accrued in her experience as a freelance professional.

During the Financial Year, 7 (seven) meetings of the Audit and Risk Committee were held on 14 February 2024, 28 February 2024, 7 March 2024, 9 May 2024, 29 July 2024, 30 July 2024 and 7 November 2024.
The average duration of the meetings was 30 (thirty) minutes.
There have been no changes in the composition of the Audit and Risk Committee since the end of the Financial Year.
As at the date of this Report, for the year 2025, meetings of the Audit and Risk Committee are scheduled at the 4 (four) meetings of the Board of Directors set to approve the Company's annual, half-yearly and quarterly results.
The Audit and Risk Committee also met, after the end of the Financial Year and up to the date of this Report, on 18 February 2025, on 26 February 2025 and on 6 March 2025.
During the Financial Year, at the invitation of the Chairman of the Audit and Risk Committee, the CEO attended a meeting of the Audit and Risk Committee on 28 February 2024.

The meetings of the Audit and Risk Committee are coordinated by the Committee Chairman, with the support of the secretary. The meetings of the Audit and Risk Committee are duly minuted.
The Chairman of the Audit and Risk Committee informs the Board of Directors of the committee's activities at the first useful meeting.
Pursuant to Recommendation 17 of the CG Code, the meetings of the Audit and Risk Committee were attended, at the invitation of the Chairman of the Committee and informed by the Chairman and CEO, by representatives of the relevant company departments and functions. In particular, during the Financial Year, there was constant involvement of the departments and corporate functions competent according to the subject matter discussed in the meetings of the Audit and Risk Committee.

The Audit and Risk Committee meetings were attended by the Board of Statutory Auditors, at the invitation of the Committee Chairman.
Meetings of the Audit and Risk Committee were invited to be attended by the Board of Statutory Auditors at the invitation of the Committee Chairman, and some meetings were not attended by all members of the Board of Statutory Auditors.
Please refer to Section 6 “Internal Committees of the Board” of this Report for further information on the common modalities of operation of the Governance Committees.

Functions assigned to the Audit and Risk Committee
The “Regulations of the Board of Directors, Lead independent director and Governance Committees”, adopted by the Board of Directors on 11 November 2021, also regulates the powers and rules of operation of the Audit and Risk Committee.

In particular, pursuant to Recommendation 33 of the CG Code, the Audit and Risk Committee supports the Board of Directors in performing the tasks entrusted to it by the CG Code in the area of internal control and risk management.

The Regulations provide that the Audit and Risk Committee, in particular, in assisting the Board of Directors:

- assesses, in consultation with the Manager in charge of preparing the company’s financial reports and having consulted the statutory auditor and the Board of Statutory Auditors, the correct use of accounting standards and their uniformity for the purposes of preparing the consolidated financial statements, in line with Recommendation 35 (a) of the CG Code;
- assesses the suitability of periodic financial and non-financial information to correctly represent the company’s business model, strategies, the impact of its activities and the performance achieved, in coordination with the Sustainability Committee (in line with Recommendation 1, letter a) and Recommendation 35, letter b) of the CG Code); this assessment takes place during the Board of Directors’ meeting called to approve the periodic financial reports, after the Board meeting has been adjourned;
- examines the content of periodic non-financial information relevant to the internal control and risk management system, pursuant to Recommendation 35 (c) of the CG Code;
- expresses opinions on specific aspects concerning the identification of the main corporate risks and supports the Board of Directors’ assessments and decisions concerning the management of risks arising from prejudicial facts of which the latter has become aware, pursuant to Recommendation 35 (d) of the CG Code;
- examines periodic and particularly significant reports prepared by the Internal Audit Function, pursuant to Recommendation 35 (e) of the CG Code;
- monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Function, pursuant to Recommendation 35 (f) of the CG Code;
- may entrust the Internal Audit Function with the performance of audits on specific operational areas, simultaneously notifying the Chairman of the Board of Statutory Auditors, pursuant to Recommendation 35 (g) of the CG Code;
- reports to the Board of Directors, at least once every six months, on the occasion of the approval of the annual and semi-annual financial report on the activities carried out as well as on the

adequacy of the internal control and risk management system, pursuant to Recommendation 35 (h) of the CG Code.

For details of the further functions assigned to the Audit and Risk Committee, please refer to the Regulations available in the "Corporate Governance" section of the Company's website *www.gruppoascopiave.it*.

During the Financial Year, the Audit and Risk Committee met, among other matters, to discuss the following main issues:

- assessment of the adequacy of the internal control and risk management system;
- review of the 2024-2025 Plan of the Head of the Internal Audit Function;
- review of the periodic reports prepared by the Head of the Internal Audit Function on the progress of the internal auditing work plan;
- examination of the reports prepared by the Manager in charge, with particular regard to risk analysis activities and the implementation of the measures necessary to provide reasonable certainty as to the true and fair representation of economic, equity and financial information, in accordance with the provisions of Law No. 262/2005;
- examination of the reports of the Supervisory Board appointed pursuant to Legislative Decree 231/2001;
- review of the periodic reporting by the Reporting Committee;
- Risk Manager information review.

In addition, during the Financial Year, the Audit and Risk Committee received the following information from the Sustainability Committee:

- - briefing on the draft of the "Procedure for the Preparation of the Consolidated Sustainability Reporting of the Ascopiave Group", which was subsequently approved by the Board of Directors on December 13, 2024, subject to the favourable opinion of the Sustainability Committee;
- information regarding the proposed update of the "Guidelines for the Pursuit of Sustainable Success", prepared pursuant to Article 4.5.2. i) of the "Regulations of the Board of Directors, Lead Independent Director and Internal Board Committees" and approved by the Board of Directors on December 13, 2024, upon the proposal of the Sustainability Committee, so that the Audit and Risk Committee, in assisting the Board of Directors, pursuant to Art. 4.4.3(ii) of the aforementioned Regulations, assess the suitability of periodic financial and non-financial information to fairly represent the company's business model, strategies, the impact of its activities and the performance achieved, coordinating with the Sustainability Committee.

In the performance of its functions and during the Financial Year, the Audit and Risk Committee had access, through the secretary, to the information and company functions necessary for the performance of its tasks and did not make use of external consultants.

Pursuant to the Regulations, the Board of Directors may establish an annual budget for one or more committees, depending on the external advice they may require.

After the end of the Financial Year, it should be noted that the Audit and Risk Committee was informed during the meeting held on February 18, 2025 about the findings of the dual materiality analysis carried out as part of the process of preparing the Ascopiave Group's Consolidated Sustainability Report, which was approved by the Board of Directors on February 20, 2025, after review by the Sustainability Committee and reporting to the Audit and Risk Committee.

In addition, after the end of the Financial Year, at its meeting on February 26, 2025, the Audit and Risk Committee reviewed the draft of the Internal Audit Charter and Mandate, which was approved by the Board of Directors on February 27, 2025.
Lastly, pursuant to Article 4.5.2 letter (x) of the aforementioned Regulations, at its meeting on March 6, 2025, the Sustainability Committee, in coordination with the Audit and Risk Committee, reviewed the draft of the Consolidated Sustainability Report, prepared in accordance with Legislative Decree no. 125/2024, an integral part of the Consolidated Annual Financial Report as at December 31, 2024, which includes, among other things, annual and multi-year sustainability targets to be achieved with specific reference to the management of related medium- and long-term risks pertaining to the Company and its subsidiaries, consistent with the "Strategic Plan 2025-2028" approved by the Board of Directors on February 13, 2025.

9.3. HEAD OF THE INTERNAL AUDIT FUNCTION

Responsibility for the Internal Audit Function has been entrusted since June 2015 to Mr. Sandro Piazza, an external consultant.
The Head of the Internal Audit Function is responsible for verifying that the internal control and risk management system is functioning and adequate.
The appointment of the Head of the Internal Audit Function was made upon the proposal of the director in charge of the internal control and risk management system, having taken note of the favourable opinion of the Audit and Risk Committee and having consulted the Board of Statutory Auditors, on the basis of the technical knowledge and suitability of the professional experience, for the purpose of carrying out the task.
In particular, the Board of Directors is responsible for defining the remuneration of the Head of the Internal Audit Function, ensuring that he has adequate resources to perform his duties. Having entrusted this task externally, the Board of Directors has also assessed that the Head of the Internal Audit Function has adequate requirements of professionalism, independence and organisation, as envisaged by Recommendation No. 33, Article 6 of the Code, having gained extensive experience in internal auditing and compliance activities.
In particular, it should be noted that, at the time of contract renewal, the Head of the Internal Audit Function confirmed, and Ascopiave S.p.A. acknowledged, that he met the requirements envisaged in the new Corporate Governance Code, with particular reference to the "adequate requirements of professionalism, independence and organisation" to be acknowledged to the Head of the Internal Audit Function, as envisaged in Recommendation No. 33, Article 6 of the Code.
Please be informed that after the end of the Financial Year, on February 27, 2025, the Board of Directors of Ascopiave, after review by the Audit and Risk Committee, approved the "Internal Audit Charter and Mandate" of the Head of Internal Auditing in alignment with the updated "Global Internal Audit Standards" published by the Italian Association of Internal Auditors and applicable as at January 9, 2025.

We inform that as at July 2019, the Compliance Function was established, reporting to the Legal and Corporate Affairs Department of Ascopiave S.p.A., which includes the two resources that were previously part of the Internal Audit Function. The Compliance Function, among its activities, also supports the Head of the Internal Audit Function as a point of contact to facilitate the collection of the necessary information for the performance of the operational audits proper to the Internal Audit Function, and to guarantee the necessary continuity to the verification and control activities.
With regard to the organisation supporting the Internal Audit Function, it is also specified that one resource of the Compliance Function, reporting to the Legal and Corporate Affairs Department of Ascopiave S.p.A., is primarily dedicated to the activities of verifying and testing administrative-accounting

processes and, normally, upon request, at least one of the two resources of the Compliance Function participates in the meetings with company representatives scheduled by the Head of the Internal Audit Function for the performance of the activities envisaged in the audit plan.
The Internal Audit Function carries on a fruitful dialogue with the Risk Manager Function in order to direct audit activities also on the basis of the findings of the activities entrusted to this function.

The Head of the Internal Audit Function is not responsible for any operational area, has direct access to all information useful for the performance of the task and operates as third-level audit within the scope of the internal control and risk management system.
The mission, the organisational positioning and the responsibilities of the Internal Audit Function are defined in the "Internal Audit Charter and Mandate" in line with the principles and the recommendations of the Corporate Governance Code and with the "Global Internal Audit Standards" temporarily in force.
The responsibilities of the Head of the Internal Audit Function, defined in the Internal Audit Charter and Mandate, are described below:

- verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the internal control and risk management system, through an Audit Plan, approved annually by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks; in this regard, the Corporate Governance Code recommends that the Head of the Internal Audit Function verify that the internal control and risk management system is functioning, adequate and consistent with the guidelines defined by the Board of Directors;
- verifies, within the framework of the Audit Plan, the reliability of the information systems, including the accounting systems:
- verifies and monitors the actual implementation by the Management of the main corrective actions identified following the audits, aimed at ensuring that the critical issues identified are overcome and, therefore, that corporate risks are effectively contained;
- prepares periodic reports, every six months, containing adequate information on its activities, on the manner in which risk management is conducted and on compliance with the plans defined for their containment; the periodic reports contain an assessment of the suitability of the internal control and risk management system;
- also at the request of the Board of Statutory Auditors, the Board of Directors, the Audit and Risk Committee and the Chief Executive Officer, prepares timely reports on particularly significant events;
- transmits the reports referred to in the preceding points to the Chairman of the Board of Directors, the Chairman of the Audit and Risk Committee and the Chairman of the Board of Statutory Auditors, as well as to the Chief Executive Officer, except in cases where the subject of such reports specifically concerns the activities of such persons;
- in coordination with the Compliance Function, reporting to the Legal and Corporate Affairs Department, supports the attestation process of the Manager in charge of preparing corporate accounting documents, monitoring the testing of key controls of administrative and accounting procedures;
- assists the Management on aspects of internal audit and risk management in order to foster the improvement of control governance processes.

The Head of the Internal Audit Function reports hierarchically to the Board of Directors of Ascopiave, in accordance with the recommendations of the Corporate Governance Code of listed companies to which the Company adheres; in performing his duties, the Head of the Internal Audit Function coordinates at an organisational level with the Chairman of the Board of Directors to whom he functionally reports.

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During the Financial Year, the Board of Directors, after hearing the opinion of the Audit and Risk Committee, approved the "2024-2025 Plan" prepared by the Head of the Internal Audit Function, after consulting the Board of Statutory Auditors and the Chief Executive Officer.

In particular, within the scope of his responsibilities, during the Financial Year, the Head of the Internal Audit Function:

- verified, both continuously and in relation to specific needs and in compliance with international standards, the operation and suitability of the internal control and risk management system, through an audit plan, approved annually by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks;
- prepared periodic reports, on a six-monthly basis, containing adequate information on its activities, on the manner in which risk management is conducted, and on compliance with the plans defined for their containment, as well as an assessment of the suitability of the internal control and risk management system, and forwarded them to the Chairmen of the Board of Statutory Auditors, the Audit and Risk Committee and the Board of Directors, as well as to the Chief Executive Officer;
- verified, within the scope of the audit plan, the reliability of the information systems including the accounting systems by examining the compliance monitoring reports pursuant to Law 262/2005, obtaining evidence on the implementation of "Segregation of Duties" controls, as well as by examining the cyber security management processes.

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During the Financial Year, the Head of the Internal Audit Function continuously verified the effectiveness of the Issuer's internal control and risk management system based on the control tools implemented in previous years. During the Financial Year, the Head of the Internal Audit Function also ensured systematic and periodic information flows on the results of the activities carried out, addressed to the Chairmen of the Audit and Risk Committee and of the Board of Statutory Auditors, as well as to the Chief Executive Officer, to allow them to fulfil their assigned tasks in the matter of monitoring and evaluating the internal control and risk management system. Finally, during the Financial Year, the Head of the Internal Audit Function assisted the management on internal control and risk management issues in order to foster the improvement of control governance processes.

The Head of Internal Auditing is also a member and coordinator of the Reporting Committee of Ascopiave S.p.A., a collegial body set up following the adoption of the "Procedure for the Management of Reporting by the Ascopiave Group", adopted on 13 May 2019 and updated on 9 November 2023.

9.4. ORGANISATIONAL MODEL pursuant to Legislative Decree No. 231/2001

On 27 March 2008, the Issuer adopted the Organisation, Management and Control Model for the prevention of offences for the purposes of Legislative Decree No. 231/2001 ("Model 231"), which was subsequently supplemented and updated.
The Board of Directors of Ascopiave S.p.A., at its meeting of 30 July 2024, adopted the latest update of Model 231, as a result of both the regulatory changes that have taken place in the meantime and the changes in the corporate and Group structure.

It should be noted that on 10 September 2021, the Board of Directors of Ascopiave S.p.A. approved an update to the Ascopiave Group's Code of Ethics, an integral part of Model 231, including, among other matters, the alignment of the definition of "sustainable success" with the new corporate purpose of Ascopiave S.p.A.'s Articles of Association, adopted by the Extraordinary Shareholders' Meeting on 29 April 2021, as well as the revision of the order in which the Group's values are ranked, giving priority to the issue of sustainability and respect for and enhancement of personnel.
All subsidiaries of the Ascopiave Group apply the Code of Ethics of the Ascopiave Group as this document has been adopted by the boards of directors of all subsidiaries of the Ascopiave Group.

The Company has appointed the Supervisory Board as the body responsible for supervising the operation of and compliance with the Model 231 itself, taking into account the requirements of the reference legislation and the indications deriving from the guidelines of the relevant trade associations as well as industry best practices.
In particular, on 6 June 2023, the Board of Directors of Ascopiave S.p.A. appointed the Supervisory Board of Ascopiave S.p.A. currently in office, composed of Mr. Fabio Pavone (Chairman of the Board), Mr. Luca Biancolin - who also holds the role of member of the Board of Statutory Auditors of Ascopiave S.p.A. - and Ms. Roberta Marcolin.
It should be noted that, in line with Recommendation 33, letter e) of the CG Code, the Board of Directors considered the advisability of appointing a member of the Issuer's Board of Statutory Auditors to the Supervisory Board in order to ensure coordination between the various parties involved in the internal control and risk management system.

During the Financial Year, 11 (eleven) meetings of Ascopiave S.p.A.'s Supervisory Board were held, all of which were documented by special minutes kept by the secretary of the Supervisory Board.

It is recalled that the Board of Directors of Ascopiave S.p.A., during its meeting of 13 May 2019, approved the "Ascopiave Group Whistleblowing Management Procedure" (so-called Whistleblowing), an integral part of the Model 231 (Annex 3) in compliance with Law 179/2017, which amended Article 6 of Legislative Decree No. 231/2001. On 9 November 2023, following the supervening force of Legislative Decree no. 24/2023, implementing EU Directive 2019/1937 on "Whistleblowing", the Board of Directors of Ascopiave S.p.A. approved an update to the "Ascopiave Group Whistleblowing Management Procedure", adopted by all the subsidiaries of the Group, an integral part of Model 231.
It should be noted that this procedure, adopted by all subsidiaries, introduced a univocal process for the management of Ascopiave S.p.A. and its gas distribution subsidiaries, while it defined a specific process for the management of reports concerning the other Group companies.
The Reporting Committee, a collegial body set up following the adoption of the "Ascopiave Group's Whistleblowing Management Procedure", is composed of the Head of the Internal Audit Function, the Legal and Corporate Affairs Director, and Ascopiave S.p.A.'s Supervisory Board.

During the Financial Year, the Reporting Committee of Ascopiave S.p.A. met on 20 February 2024 and on 4 November 2024. After the end of the Financial Year, up to the date of this Report, the Committee also met on 18 February 2025.
The "Ascopiave Group Whistleblowing Management Procedure", an integral part of Ascopiave S.p.A.'s Model 231 (Annex 3), has been adopted by all the subsidiaries of the Ascopiave Group and is published on the Issuer's website *www.gruppoascopiave.it* in the Corporate Governance/System and Rules/Model 231 section.

The summary document of Model 231 of Ascopiave S.p.A. consists of a general part in which the reference regulatory system, the process of defining the model, and the constituent elements of the model itself are illustrated; various special parts are also documented in relation to the types of offences that the model intends to prevent, including:
- offences against the Public Administration;
- corporate offences;
- market abuse;
- health and safety at work;
- environmental crimes;
- computer crimes;
- offences of receiving stolen goods, money laundering and self-laundering;
- offences of corruption between private individuals;
- tax offences.

Already in previous years, the Supervisory Board has activated a structured annual collection of information flows from the so-called apical corporate subjects, aimed at obtaining information on significant events occurring in the course of management, which may be attributable to the risk areas identified by Model 231.

For the purposes of dissemination of Model 231, the general part of the same can be found on the Issuer's website *www.gruppoascopiave.it* in the Corporate Governance/System and Rules/Model 231 section.
In addition, the Ascopiave Group's Code of Ethics is available on the Issuer's website *www.gruppoascopiave.it* in the Corporate Governance/System and Rules/Code of Ethics section.

Ascopiave S.p.A. and its subsidiaries have adopted an Organisation, Management and Control Model ("Model 231") pursuant to Legislative Decree No. 231/2001 and have appointed a Supervisory Board, the body responsible for overseeing the implementation and effectiveness of Model 231. As mentioned above, all subsidiaries have adopted the Ascopiave Group's Code of Ethics and the "Ascopiave Group Whistleblowing Management Procedure".
During the Financial Year, drafting and adoption activities continued for the periodic updating of the organisation, management and control models of all the subsidiaries of the Ascopiave Group. The aforementioned drafting and updating activities for some Group companies were completed during 2023, while the remaining ones (including Ascopiave S.p.A.) were completed during the Financial Year. As a result of the extraordinary intercompany transactions, effective as at 11.59 p.m. on 31 December 2024., the models of the companies concerned will be further updated, so that they can be aligned with the new corporate situation.

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Please refer to Chapter 4 "*Information on Governance*", Section "*G1 - Business Conduct*" of the Consolidated Sustainability Report for the information required by ESRS Sustainability Reporting Standard G1 - Par. 2.

9.5. AUDITOR

The auditing activity is entrusted to the company KPMG S.p.A.
The appointment was made by the Shareholders' Meeting held on 18 April 2024 and will expire with the approval of the financial statements as at 31 December 2032.
During the Financial Year, the auditing company did not issue a letter of suggestions and an additional report addressed to the Board of Statutory Auditors.

9.6. MANAGER IN CHARGE AND OTHER CORPORATE ROLES AND FUNCTIONS

The Board of Directors of Ascopiave S.p.A., which met on 15 October 2018, after hearing the opinion of the Board of Statutory Auditors and verifying the requisites of integrity and professionalism envisaged by the Articles of Association, appointed Mr. Riccardo Paggiaro, effective 31 October 2018, as Chief Financial Officer, Manager in charge of drafting accounting and corporate documents pursuant to Article 154-bis of Legislative Decree no. 58/98 and strategic manager of the Ascopiave Group. Mr. Paggiaro, who graduated in Economics and Business at the Ca' Foscari University of Venice in 2001, and is a Chartered Accountant and Auditor, has gained significant experience in the administration, finance and control area after several years in the tax and corporate finance field at leading consulting and auditing companies. Since 2011, he has held the role of Finance & Treasury Manager for the Ascopiave Group and Administrative Manager for subsidiaries, in addition to holding positions in Group companies.

Pursuant to Article. 25 of the Issuer's Articles of Association, the Manager in charge of drafting the company's financial reports must possess, in addition to the integrity requirements prescribed by current legislation for those who perform administrative and management functions, professional requirements such as (i) having graduated in economics, finance or business management and organisation disciplines (ii) having attained a total experience of at least three years in the exercise of administration or control activities or managerial duties in joint-stock companies, or administrative or managerial duties or positions as auditor or consultant as chartered accountant in entities operating in the credit, financial or insurance sectors or in any case in sectors closely connected or inherent to the Company's business, involving the management of economic and financial resources.
Furthermore, persons who do not meet the integrity requirements envisaged by the laws in force from time to time for persons performing administrative and management functions may not be appointed to the role of Manager in charge and, if already appointed, shall forfeit the same.
The Board of Directors, subject to the opinion of the Board of Statutory Auditors, which is mandatory but not binding, appoints the Manager in charge of Financial Reporting and establishes his remuneration.
The Board of Directors shall grant the Manager in charge of Financial Reporting adequate powers and means to perform the tasks assigned to him in accordance with the provisions, including regulatory provisions, in force from time to time.
Lastly, we inform you that, in compliance with the provisions of Article 154-bis, paragraph 5-ter of the TUF, introduced by Article 12 of Legislative Decree No. 125/2024, the Chief Executive Officer and the Manager in Charge of Financial Reporting, as at the approval of the financial statements as at 31 December 2024, will certify, with a specific report, that the sustainability reporting included in

the report on operations was prepared in accordance with the reporting standards set forth in the relevant regulations. It should be noted that the Compliance Function supported the Manager in charge, in collaboration with the Sustainability Function, which is part of the Legal and Corporate Affairs Department, as well as in coordination with the Head of Internal Auditing, in the preparation of a new procedure in order to describe the activities, control structures and related managers involved in the process of preparing the consolidated Sustainability Report of the Ascopiave Group drafted pursuant to Legislative Decree no. 125/2024. It should be noted that this new procedure is aligned with the "Procedure for the preparation of the consolidated Sustainability Report of the Ascopiave Group" approved by the Ascopiave Board of Directors on 13 December 2024 and is integrated into the testing activities carried out for the purposes of compliance pursuant to Law No. 262/2005, identifying the risks, control measures, control owners and evidence of controls.

Please note that as at 1 October 2022, the Company established a Risk Manager (see Recommendation 32, letter e of the CG Code), identified in the person of Mr. Mario Ontini.
The main tasks of the Risk Manager are the following:
- oversee the implementation and updating of the Enterprise Risk Management model, providing specialist methodological support in the identification and assessment of risks;
- coordinating the overall Enterprise Risk Management process, ensuring the proper consolidation and prioritisation of risks;
- consolidate management strategies for risks identified by all corporate functions, identifying uniform guidelines;
- prepare periodic reports, every six months, for the CEO, Board of Directors and Audit and Risk Committee, on the Enterprise Risk Management model and the results of risk assessment activities;
- support, in agreement and in coordination with the CEO, the Board of Directors in defining the elements constituting the Risk Appetite levels;
- ensure, in agreement and in coordination with the CEO, adequate support to the bodies in order to fulfil the aforementioned responsibilities.

On 29 February 2024, the Board of Directors of Ascopiave S.p.A. approved the "Enterprise Risk Management Policy", after receiving the favourable opinion of the Ascopiave S.p.A. Audit and Risk Committee. The "Enterprise Risk Management Policy" was adopted by all the subsidiaries after the end of the Financial Year 2024.
It should be noted that, during the Financial Year, among his activities, the Risk Manager also assessed and proposed an update to the "Risk Model" (Annex 1 to the aforesaid Policy), in coordination with the CEO, as part of the six-monthly risk assessment activity, also integrating new risks to concern corporate social responsibility and "Environmental Social Governance" issues.

With reference to certain legal and non-compliance risk control activities, we also inform you that there is a Compliance Function, in the person of Ms. Irene Rossetto, reporting to the Legal and Corporate Affairs Department (Ms. Federica Stevanin), who, among other functions, also has the following responsibilities:
- taking care of regulatory compliance by acting on the internal control system, in particular with respect to the provisions of Legislative Decree no. 231/2001 and Law no. 262/2005, in coordination with the Head of the Internal Audit Function;
- assisting in the assessment, in synergy with the relevant corporate structures, of the impacts of the entry into force of new reference regulations with significant repercussions on the design and operation of the internal control and risk management system;
- carrying out checks and compliance with the regulations on functional unbundling;

- taking care of the updating of legislative and/or regulatory changes concerning the Issuer's rules of reference and governance rules.

Furthermore, with specific reference to the gas distribution sector, the adequacy to the purposes of functional unbundling of the corporate measures and procedures adopted by the Independent Manager is verified by the Compliance Officer, appointed pursuant to Title IV of the "Integrated Text of the Provisions of the Authority for Electricity, Gas and the Water System concerning functional unbundling obligations for companies operating in the electricity and gas sectors" ("TIUF"). The Compliance Officer, a role covered by the head of the Compliance Function of Ascopiave S.p.A., is appointed by the administrative body of the distribution company of which the Independent Manager is a member, or appointed by the Shareholders' Meeting of the distribution company of which the Independent Manager is a member if there is a sole director.

During the Financial Year, no other specific non-compliance and legal risk control functions were identified (see Recommendation 32, letter e of the CG Code), as the heads of each corporate structure involved of the Company are responsible, within the guidelines of the internal control and risk management system established by the Board of Directors, the directives received and the organisational provisions, in implementing these guidelines, for defining, managing and monitoring the effective functioning of the internal control and risk management system with reference to their own sphere of competence.

All employees, each according to their respective roles, contribute to ensuring the effective functioning of Ascopiave S.p.A.'s Internal Control and Risk Management System.

It should be noted that, in line with Recommendation 33 letter d) of the CG Code, the "Regulation of the Board of Directors, Lead independent director and Governance Committees" adopted at the Board meeting held on 11 November 2021, provides that the Board of Directors, with the support of the Audit and Risk Committee, has its own functions with reference to assessing the appropriateness of adopting measures to ensure the effectiveness and impartiality of judgement of the persons involved in the audit and risk management system (other than internal audit), verifying that they have adequate professionalism and resources. In this regard, during the Financial Year, the Board of Directors carried out an assessment of the overall adequacy and effectiveness of the internal control and risk management system.

9.7. COORDINATION BETWEEN PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Pursuant to Principle XX of the CG Code, in relation to the internal control and risk management system, with the support of the Audit and Risk Committee, the Board of Directors has its own functions with regard to defining the principles concerning the coordination and information flows between the various parties involved in the internal control and risk management system, in order to maximise the efficiency of the system itself, reduce duplication of activities and ensure the effective performance of the duties of the Board of Statutory Auditors. This principle has also been incorporated in the "Regulation of the Board of Directors, Lead independent director and Internal Board Committees".

The Issuer has implemented mechanisms of interaction between the parties involved in the internal control and risk management system aimed at ensuring the coordination and effective performance of their respective duties. It is worth noting that periodic meetings are held between the bodies and

functions responsible for internal control and risk management, and that the Head of the Internal Audit Function attends meetings of the Audit and Risk Committee when periodic reports are presented.
In particular, also in line with Recommendation 37 of the CG Code:

- - the Board of Statutory Auditors and the Audit and Risk Committee exchange information relevant to the fulfilment of their respective tasks in a timely manner;
- - the Board of Statutory Auditors participated in the work of the Audit and Risk Committee.

It should be noted that on 25 March 2024, the Audit and Risk Committee met with the Independent Auditors, the Board of Statutory Auditors and the Manager in charge of Financial Reporting in a joint meeting; the Independent Auditors subsequently provided the "Report to the Audit Committee", the "Summary of the Plan for the Statutory Audit of the Separate Financial Statements" and the "Annual Confirmation of Independence".

It should be noted that the Regulation provides that the chairman of the Audit and Risk Committee, if necessary, may invite the Chairman and CEO, the other directors and, informing the Chairman and CEO, representatives of company departments and functions or other persons competent by subject or advisor to the Company or the committee, including members of other committees and/or representatives of the control bodies, to individual meetings. In particular, during the Financial Year, there was constant involvement of the departments and corporate functions competent according to the subject matter.

Furthermore, it should be noted that no specific meetings were held during the Financial Year for the purpose of exchanging information pursuant to Article 151 of the Consolidated Law on Finance with Ascopiave's control bodies, as an exchange of information pursuant to Article 151, paragraph 2 of the Consolidated Law on Finance was implemented on a quarterly basis by means of written notes/reports.

10. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

On 21 June 2021, the Board of Directors approved an update to the "Procedure for Related Party Transactions" (the "RPT Procedure"), in accordance with the provisions of Article 3(2) of Consob Resolution No. 21624 of 10 December 2020 and subsequent amendments.
The Procedure governs related-party transactions carried out by the Company, directly or through subsidiaries, in accordance with the provisions of the Regulation adopted pursuant to Article 2391-bis of the Italian Civil Code by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution No. 17221 of 12 March 2010, as subsequently amended (the "RPT Regulation").

The "Regulation of the Board of Directors, Lead independent director and Governance Committees", approved by the Board of Directors on 11 November 2021, provides that:

- the Remuneration Committee performs functions concerning related party transactions in accordance with the RPT Procedure;
- the Audit and Risk Committee performs functions in the area of related party transactions in accordance with the RPT Procedure.

In this regard, in particular, the RPT Procedure provides that, (i) with respect to the so-called "Transactions of Lesser Significance" having as their object the assignment or increase of

remuneration and economic benefits, in any form whatsoever, to a member of an administrative or control body or to a manager with strategic responsibilities, it is the Remuneration Committee and (ii) with respect to all other Transactions of Lesser Significance, it shall be the Audit and Risk Committee, it being understood that if one or more members of the committee involved from time to time is the counterparty of the Transaction of Lesser Significance being evaluated or is a related party to it, the other members of the committee shall call another non-related director (non-executive and if applicable, independent, depending on whether or not it is necessary to restore the presence of at least two independent directors) or, failing that, a standing member (other than the Chairman) of the Board of Statutory Auditors, provided that he/she is different from the counterparty of the Transaction of Lesser Significance under assessment or a related party thereof, as may be identified by the Chairman and Chief Executive Officer.
The committee must render its opinion before the final approval of the Transaction of Lesser Significance by the Board of Directors, if the transaction falls within the latter's competence. In other cases, before the Company assumes the obligation to perform the Transaction of Lesser Significance.

For the contents of the RPT Procedure and more information on the relative functions of the committees involved by competence, please refer to the document available on the Issuer's website *www.gruppoascopiave.it* in the Corporate Governance/System and Rules/Related Parties Regulation section (https://www.gruppoascopiave.it/corporate-governance/sistema-e-regole/regolamento-parti-correlate).

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For the purposes of implementing the RPT Procedure, a mapping of the so-called "Related Parties" is carried out periodically, in relation to which the contents and control measures provided for in the document are applicable. Directors are also required to declare, if any, any conflicting interests with respect to the performance of the transactions under consideration.

It should be noted that during the Financial Year, in particular on 4 April 2024, 19 July 2024 and 14 October 2024, meetings of Internal Board Committees constituted pursuant to the "Procedure for Related Parties Transactions", in particular of the Remuneration Committee, were held.

11. BOARD OF STATUTORY AUDITORS

11.1 APPOINTMENT AND REPLACEMENT

The appointment and replacement of auditors is governed by the law and regulations and Article 22 of the Issuer's Articles of Association.
The Board of Statutory Auditors consists of three standing auditors and two alternate auditors, who remain in office for three financial years and may be re-elected. At least one of the regular auditors must be: (i) female, if the majority of the regular auditors are male; (ii) male, if the majority of the regular auditors are female, unless otherwise envisaged by the laws and regulations, in force from time to time, on the subject of gender distribution (male and female).
Pursuant to Article 22 of the Issuer's Articles of Association, the entire Board of Statutory Auditors is appointed on the basis of lists submitted by the shareholders. For the purposes of submitting these lists, as well as electing the members of the Board of Statutory Auditors and replacing any members that leave office, the laws and regulations in force shall apply, without prejudice to the rules specified below. Shareholders who, alone or together with other shareholders, hold at least a shareholding

representing at least 2.5% of the share capital, or, if different, the maximum shareholding in the share capital required for the submission of lists by the applicable laws and regulations, shall be entitled to submit lists. The shareholding percentage shall be indicated in the notice of call of the Shareholders' Meeting called to resolve on the appointment of the Board of Statutory Auditors.
Each list must consist of two sections: one for the appointment of the standing auditors, the other for the appointment of the alternate auditors. The lists must indicate at least one candidate for the office of Standing Auditor and one candidate for the office of Alternate Auditor. Each candidate may only be nominated in one list, under penalty of ineligibility. Lists containing a total of three or more candidates must contain in both sections a number of candidates such as to ensure that the composition of the Board of Statutory Auditors, both in its standing and alternate members, complies with the provisions of the law and regulations in force from time to time on gender balance (male and female).

The lists, signed by the shareholders submitting them, or by the shareholder with the proxy to submit them, and accompanied by the documentation envisaged by the Articles of Association and the applicable laws and regulations, shall be filed at the registered office within the terms set forth by the applicable laws and regulations. In the event that only one list of candidates or no list at all has been submitted by the deadline envisaged in the applicable laws and regulations, the Shareholders' Meeting shall resolve by relative majority of those entitled to vote present. In the event of a tie between several candidates, a ballot shall be held between them, by means of a further shareholders' meeting vote.
If, on the other hand, two or more lists are submitted, the election of the Board of Statutory Auditors shall be conducted as follows:

(i) from the list obtaining the majority of votes shall be taken, in the progressive order in which they are indicated in the various sections of the list, (a) two standing auditors and (b) one alternate auditor, without prejudice to the provisions set forth below to ensure gender balance in compliance with the applicable provisions of the law and regulations;
(ii) (a) one statutory auditor, who shall also act as Chairman of the Board of Statutory Auditors, and (b) one alternate auditor and, if available, additional alternate auditors, to replace the minority member, up to a maximum of three, shall be taken from the list that came second by number of votes and that is not connected, even indirectly, with the shareholders who submitted or voted for the list that came first by number of votes, in the progressive order in which they are indicated in the various sections of the list. In the absence thereof, the first candidate for such office taken from the first list following by number of votes and who is not connected, not even indirectly, with the shareholders who submitted or voted for the list that came first by number of votes, shall be appointed Alternate Auditor;
(iii) in the event of a tie between two or more lists, the candidates of the list submitted by shareholders owning the largest shareholding or, secondarily, by the largest number of shareholders shall be elected as Statutory Auditors, in compliance with the applicable provisions on gender balance.

If during the financial year, for any reason, one or more standing auditors taken from the list that obtained the highest number of votes (the "Majority Auditors") leave office, they shall be replaced - where possible - by the alternate auditor belonging to the same list as the auditor leaving office, subject to compliance with the applicable provisions on gender balance. If it is not possible to proceed within the above terms, the Shareholders' Meeting must be convened, so that it can integrate the Board of Statutory Auditors with the ordinary procedures and majorities, as an exception to the list voting system indicated above and always in compliance with the applicable provisions on gender balance. If during the financial year, for any reason, the standing auditor taken from the first list following the list that obtained the highest number of votes (the "Minority Auditor") ceases to hold

office, he shall be replaced by the alternate auditor belonging to the same list as the outgoing auditor, provided that the applicable provisions on gender balance are complied with. If it is not possible to proceed within the above terms, the Shareholders' Meeting must be convened, so that it can integrate the Board of Statutory Auditors with the ordinary methods and majorities, as an exception to the list voting system, in order to respect, where possible, the principle of minority representation and the applicable provisions on gender balance.
The Shareholders' Meeting required to resolve on the integration of the Board of Statutory Auditors shall in any event proceed to appoint or replace the members of said Board, without prejudice to the need to ensure that the composition of the Board of Statutory Auditors complies with the applicable laws and regulations and the Issuer's Articles of Association.
Without prejudice to the provisions of the preceding paragraph, if the Shareholders' Meeting has to provide for the integration of the Board of Statutory Auditors, it shall resolve with the ordinary procedures and majorities, as an exception to the list voting system, a system that is applied only in the case of renewal of the entire Board of Statutory Auditors.

11.2 COMPOSITION AND OPERATION (pursuant to Article 123-bis, paragraph 2, letters d) and d-bis), TUF)

The Board of Statutory Auditors appointed by the Ordinary Shareholders' Meeting held on 18 April 2023 and in office until the approval of the financial statements for the financial year ending 31 December 2025, is composed as follows:

Name	Role
Giovanni Salvaggio	Chairman of the Board of Statutory Auditors
Luca Biancolin	Standing Auditor
Barbara Moro	Standing Auditor
Matteo Cipriano	Alternate Auditor
Marco Bosco	Alternate Auditor

The Standing Auditors Luca Biancolin and Barbara Moro and the Alternate Auditor Matteo Cipriano were taken from the list presented by the majority shareholder Asco Holding S.p.A. The Chairman of the Board of Statutory Auditors Giovanni Salvaggio and Alternate Auditor Marco Bosco were instead taken from list no. 2 presented by ASM Rovigo S.p.A.
In relation to the two lists presented, there are no liaison relationships.
For the detailed composition of the Board of Statutory Auditors with reference to the Financial Year, see Table 4 at the end of the Report.

The following are the two lists submitted for the appointment of the Board of Statutory Auditors:

PRESENTING PARTY	LIST OF CANDIDATES	LIST OF ELECTED MEMBERS	% VOTES OBTAINED IN RELATION TO VOTING CAPITAL
List No. 1 Asco Holding S.p.A.	**Standing auditors** 1. Luca Biancolin 2. Barbara Moro **Alternate Auditor** 1. Matteo Cipriano	**Standing auditors** 1. Luca Biancolin 2. Barbara Moro **Alternate Auditor** 1. Matteo Cipriano	64.439%

List No. 2 ASM Rovigo S.p.A.	**Standing Auditor** 1. Giovanni Salvaggio **Alternate Auditor** 1. Marco Bosco	**Standing Auditor** 1. Giovanni Salvaggio **Alternate Auditor** 1. Marco Bosco	14.283%

To the best of the Issuer's knowledge, there are no other offices of director or auditor held by the members of the Board of Statutory Auditors of Ascopiave S.p.A. pursuant to Article 148-bis of the Consolidated Law on Finance and the related implementing provisions contained in the Consob Issuers' Regulations and published by Consob on its website pursuant to Article 144-quinquiesdecies of the Consob Issuers' Regulations.

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Please refer to section 4.3 "*Composition*" of this Report for the information required by the following sustainability reporting standards:

- ESRS 2 - Paragraphs 19 and 20(a), in particular ESRS 2 - Paragraph 21.
- ESRS 2 - Paragraphs 19 and 20(c), in particular ESRS 2 - Paragraph 23.

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In line with Principle VIII of the CG Code, the composition of the Board of Statutory Auditors is adequate to ensure the independence and professionalism of its function.
In particular, the members of the Board of Statutory Auditors meet the requirements of independence pursuant to Article 148 TUF and the CG Code. Furthermore, with reference to the professional requirements, the personal and professional characteristics of each auditor are illustrated below:

- Chairman, Mr. **Giovanni Salvaggio**: born in Rovigo (RO) on 11 May 1968. He graduated in business economics from Ca' Foscari University in Venice, is a member of the Order of Chartered Accountants and Accounting Experts of the province of Rovigo, and has been a registered auditor since 2000.
  He has been chairman of the Board of Directors and member of the Board of Statutory Auditors of numerous public and private companies, including Asm Rovigo S.p.A. He is a contract professor of Tax Law at the University of Ferrara and is often called upon as a speaker at professional conferences.

- Standing Auditor, Mr. **Luca Biancolin**: born in Gaiarine (TV) on 9 October 1952. He graduated in political science with a degree in international politics from the University of Padua in 1984. He is a member of the Order of Chartered Accountants and Accounting Experts of Treviso, of the Register of Auditors, and of the List of Technical Consultants of the Court of Treviso - Commercial Category.
  He has held various professional positions as auditor, director and liquidator of corporations. He has carried out auditing activities at local and instrumental entities, consortia, cooperatives, other public, private or publicly owned organisations and companies. He is currently a member of the Board of Statutory Auditors and the Supervisory Board of several companies of the Ascopiave Group and a standing auditor of Ascopiave S.p.A. since 2014.
  He is also standing auditor of AP Reti Gas S.p.A, Acantho S.p.A. and Chairman of the Board of Statutory Auditors of EstEnergy S.p.A.

- Standing Auditor, Ms. **Barbara Moro**: born in Venice on 4 July 1977. She graduated in economics and commerce, specialising in legal-taxation, from Ca' Foscari University of Venice in 2001. She is a member of the Order of Chartered Accountants of Treviso and of the Register of Auditors. She has gained many years of professional experience in the field of taxation, insolvency procedures and real estate executive procedures. He is currently a member of several boards of statutory auditors in joint stock companies and cooperatives. He is currently standing auditor of Ascopiave S.p.A. since 2020 and also standing auditor of AP Reti Gas Nord Ovest S.p.A.

- Alternate Auditor, **Matteo Cipriano**: born in Padua on 10 August 1974. He graduated in economics and commerce in 1998. He has been enrolled in the Register of Chartered Accountants and the Register of Auditors since 2003.
  He deals with domestic and international tax consultancy mainly aimed at industrial companies. The activity includes the study of domestic and international civil and tax issues and related opinions, the study of issues related to the determination of intercompany transfer pricing, the planning of extraordinary operations and corporate reorganisations in the Italian context.
  He is a partner in Advant NCTM, a law firm with offices in Milan and Rome.

- Alternate Auditor, **Marco Bosco**: born in Marino (Rome) on 7 July 1974. He graduated in economics and commerce from Ca' Foscari University of Venice in 1999. He has been enrolled in the Register of Auditors and the Order of Chartered Accountants of Treviso and in the list of Auditors of local authorities and the Veneto Region since 2010.
  He has many years of experience as statutory auditor and auditor also of Local Authorities, technical consultant to the Court and in various companies in the public and private sectors. He currently practices at his office in Treviso.

The professional curricula of the Statutory Auditors pursuant to Articles 144-octies and 144-decies of the Consob Issuers' Regulations are available on the Issuer's website in the "Investor Relations" section.

During the Financial Year, 8 (eight) meetings of the Board of Statutory Auditors were held on the following dates: 21 February 2024, 6 March 2024, 25 March 2024, 27 March 2024, 23 May 2024, 19 July 2024, 26 September 2024 and 7 November 2024. The average duration of the meetings was 60minutes.
For details on the attendance of auditors at meetings of the Board of Statutory Auditors, please refer to the contents of Table 4 attached.

During the financial year 2025, the Board of Statutory Auditors will meet at least every ninety days, as stipulated in Article 2404 of the Civil Code. After the end of the Financial Year, up to the date of this Report, the Board of Statutory Auditors met on 24 January 2025 and 18February 2025. On the whole there are 10 (ten) meetings scheduled for the year 2025 by the Board of Statutory Auditors.

There have been no changes in the composition of the Board of Statutory Auditors since the end of the Financial Year.

Diversity benchmarks and policies

With regard to diversity policies in relation to the composition of the current Board of Statutory Auditors with respect to aspects such as age, gender and educational and professional background, it should be noted that pursuant to the current Articles of Association, the composition of the Board of Statutory Auditors must ensure the gender balance envisaged by law.
With specific reference to gender balance, moreover, please note that on 20 March 2020, the Board of Directors approved, pursuant to Article 19 of the Articles of Association, the adjustment of Article 22 to the regulatory provisions on gender balance in the composition of corporate bodies, in order to align the provisions of the Articles of Association with the provisions of Law No. 160 of 27 December 2019.

The Issuer has deemed it unnecessary to adopt - with reference to the composition of the control body - a specific diversity policy in relation to the additional elements of the age and educational and professional background of the auditors. Nonetheless, the Company already employs - de facto - principles of age and professional diversification in the appointment of auditors to guarantee a calibrated composition of the body and a satisfactory breadth of the degree of diversity desired by the CG Code, implementing the alignment with the benchmarks set forth by the latter.
For further information on the diversification benchmarks adopted in the appointments, please refer to the professional curricula of the statutory auditors filed at the company's registered office and available on the Issuer's institutional website *www.gruppoascopiave.it* in the "Investor Relations" section, from which the different ages, educational and professional backgrounds, and the skills accrued of the individual members emerge, in line with the above.

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Please refer to section 4.3 "*Composition*" of this Report for the information required by the sustainability reporting standard ESRS 2 - Par. 21.

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Independence

During the Financial Year, the Board of Statutory Auditors did not predefine the quantitative and qualitative benchmarks for assessing the significance of circumstances relevant to the assessment of the independence of auditors (pursuant to Recommendation 7, as referred to in Recommendation 9 of the CG Code).
In line with Recommendation 10 of the CG Code, the Board of Statutory Auditors, at its meeting of 8 May 2023, the first meeting after appointment, verified the existence of the independence requirements for its members, in accordance with the provisions of Article 148, paragraph 3, of the Consolidated Law on Finance and Article 2 of the Corporate Governance Code. The verification did not reveal any elements that would lead to the lapse of these requirements, and the outcome of the assessment was disclosed to the market through a press release.
In accordance with the provisions of Recommendation 9 of the CG Code, during the course of the Financial Year, and in particular at the meeting of 21 February 2024, the Board of Statutory Auditors verified that its members continued to meet the independence requirements of Recommendation 7 of the CG Code. After the end of the Financial Year, this verification was carried out by the Board of Statutory Auditors in the meeting of 18 February 2025. The results of these verifications were communicated to the Board of Directors and envisaged in this Report.

It should be noted that, in making the above assessments, as provided for in Recommendation 9 of the CG Code, the Board of Statutory Auditors considered all the information made available by each member of the Board of Statutory Auditors, assessing all the circumstances that appear to compromise independence as identified by the TUF and the CG Code, and applied all the benchmarks envisaged in Recommendation 7 of the CG Code with reference to the independence of directors.

Remuneration

The remuneration of Statutory Auditors provides for remuneration commensurate with the competence, professionalism and commitment required by the importance of the role held and the size and sectoral characteristics of the company and its situation, pursuant to Recommendation 30 of the CG Code.
In particular, the "Remuneration Policy" 2024 (Section I of the "Report on Remuneration Policy and Compensation Paid") approved with a binding vote by the Shareholders' Meeting held on 18 April 2024, was defined by the Company without reference to specific remuneration policies adopted by other companies, but rather in continuity with previous financial years and on the basis of the principles long followed by the Company in identifying and defining the remuneration of its auditors and the recommendations made by the Corporate Governance Code.
The amount of the annual emoluments due to the members of the Board of Statutory Auditors for the office of auditor is determined by the Shareholders' Meeting at the time of appointment.
For more details on the remuneration of the members of the Board of Statutory Auditors, please refer to the "Report on Remuneration Policy and Compensation Paid" published in the Corporate Governance section of the Company's website.

Interest Management

The Issuer requires an auditor who, on his own behalf or on behalf of third parties, has an interest in a certain transaction of the Issuer to promptly and fully inform the other auditors and the Chairman and CEO about the nature, terms, origin and extent of his interest, pursuant to Recommendation 37 of the CG Code.

11.3 ROLE

Information on the role and main activities carried out by the Board of Statutory Auditors during the Financial Year is provided by referring to the Board of Statutory Auditors' report to the Shareholders' Meeting prepared pursuant to Article 153 of the Consolidated Law on Finance and Article 2429, paragraph 2 of the Italian Civil Code, a document included in the annual financial report as at 31 December 2024 and made available in the "Investor relations" section of the website (*www.gruppoascopiave.it*) within the terms set forth by applicable regulations and available.

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Please also refer to section 4.1 "*Role of the Board of Directors*" of this Report for the information required by the following sustainability reporting standards:
- ESRS 2 - Par. 19 and 20(b), in particular ESRS 2 Par. 22;
- ESRS 2 - Par. 24, in particular ESRS 2 Par. 26.

12. RELATIONS WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

Access to information

Ascopiave has set up a special "Investor relations" section on its website (*www.gruppoascopiave.it*), in which information concerning the Company that is relevant to its shareholders is made available, so that they can exercise their rights in an informed manner.

Art. 2.2.3 paragraph 3 letter k) of the Stock Exchange Regulations also provides, with specific reference to companies intending to have their shares listed in the "Euronext STAR Milan" segment, the obligation for such companies to identify within their organisational structure a professionally qualified person (investor relator) with the specific task of managing relations with investors.
In view of the above, the Company's Board of Directors, in its meeting of 24 July 2006, appointed Mr. Giacomo Bignucolo as Investor Relator, responsible for investor relations.

Dialogue with shareholders and other relevant stakeholders

On 22 December 2021, Ascopiave's Board of Directors approved the "Policy for Managing Dialogue with Shareholders and Other Stakeholders" (hereinafter the "Policy"), a document published in full in the "Corporate Governance" section and in the "Investor Relations" section of the Company's website (*www.gruppoascopiave.it*).
As explained in the Policy, the Company considers it in its own interest, as well as a duty towards the market and stakeholders relevant to the Company:

a) to ensure a constant and open relationship, based on a mutual understanding of roles, with all of its shareholders and the holders or bearers of other financial instruments issued by the Company, current institutional investors, potential investors, asset managers, financial market operators, the Italian and international economic press, rating agencies and proxy advisors, trade associations, and other stakeholders of Ascopiave S.p.A, in order to increase their level of understanding of the activities carried out by the Company and the Group, its economic-financial performance and its strategies aimed at pursuing sustainable success in line with the recommendations of Article 1 of the CG Code; and
b) to maintain an adequate channel of information with such persons, inspired by principles of transparency and fairness in compliance with the law and the procedure for the management and processing of inside information, adopted by the Company.

The Board of Directors approved this Policy taking into account the Principle IV and the Recommendation 3 of the Corporate Governance Code, to which the Company adheres, best practices, and the Company's own corporate governance structure.

In particular, the Policy applies to the dialogue with stakeholders on matters and issues falling within the competence of the Board of Directors, including - but not limited to - the following:

(i) economic and financial results of the Company and the Group and corporate strategies;

(ii) extraordinary transactions of particular strategic importance for the Company and/or the Group;

(iii) corporate governance and, in particular, the appointment and composition of the corporate bodies (including in terms of size, professionalism, independence and diversity) and the composition, size and functions of the Internal Board Committees;

(iv) remuneration policies for directors, auditors, and strategically accountable managers of the Company and the Group;

(v) internal control and risk management system;

(vi) related party transactions; and

(vii) sustainability.

Except as provided for in the Policy, in particular in Section 4.2 thereof, the Policy does not apply in the context of pre-meeting fulfilments, which are governed by law, the Articles of Association and the Company's Shareholders' Meeting Regulations.

It should be noted that, with regard to the ways in which the Board of Directors of Ascopiave S.p.A. promotes dialogue with other stakeholders relevant to the Issuer pursuant to Principle IV of the CG Code, reference should be made to the information provided on the concrete application of the relative Recommendation 3 of the CG Code. In particular, as anticipated above, pursuant to Recommendation 3 of the CG Code, the Board of Directors of Ascopiave on 22 December 2021 approved the "Policy for the management of dialogue with the generality of shareholders and other stakeholders" and during the Financial Year, the Chairman and CEO took care of and managed the dialogue with all shareholders, in particular, inter alia, in the meetings with investors scheduled in the calendar of events. During the Financial Year, there were no significant topics of dialogue with shareholders falling within the scope of the Policy.
As part of the preparation of the Consolidated Sustainability Report of the Ascopiave Group, the Company also implemented activities aimed at mapping and involving stakeholders.
Please refer to the document published in full on Ascopiave S.p.A.'s website for further information on the Policy and on the modalities envisaged for its concrete application.

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Finally, please refer to Chapter 1 "*General Information*", Section "*Stakeholder Engagement and Dual Materiality Analysis*" of the Consolidated Sustainability Report for the information required by the Sustainability Reporting Standard ESRS 2 - Par. 43, in particular ESRS 2 Par. 45.

13. SHAREHOLDERS' MEETINGS (pursuant to Art. 123-bis, paragraph 1, letter 1) and paragraph 2, letter c), TUF)

Pursuant to Article 11.1 of the Issuer's Articles of Association, the Shareholders' Meetings may be attended by persons who have obtained from the authorised intermediary a certificate of their entitlement to attend pursuant to the regulations in force from time to time.
Any person entitled to attend the Shareholders' Meeting may be represented by written proxy by another person, even if not a shareholder, in compliance with the law. The proxy may also be conferred electronically, in the manner established by the regulations in force from time to time. The electronic notification of the proxy may be made, in accordance with what is indicated in the notice of call, by using the appropriate section of the Company's website or by sending the document to the Company's certified e-mail address (Article 11, paragraph 2 of the Articles of Association).
It should be noted that the regulations applicable to listed companies concerning the conduct of shareholders' meetings were subject to significant changes following the entry into force of Legislative Decree No. 27 of 27 January 2010, implementing Directive 2007/36/EC of the European Parliament and of the Council dated 11 July 2007 on the exercise of certain rights of shareholders in listed companies (the so-called "Shareholders' Rights Directive" or "SHRD").

That being said, it should be recalled that the Extraordinary Shareholders' Meeting of 28 April 2011 resolved to supplement Article 11 of the Articles of Association by inserting paragraph 11.3, which provides for the Company to designate for each Shareholders' Meeting a person to whom those entitled to vote may grant a proxy with voting instructions on all or some of the proposals on the agenda (the "Appointed Representative").
During the Financial Year, the Ordinary Shareholders' Meeting held on 18 April 2024 was held, in the manner envisaged in Article 106, paragraph 4, of Decree-Law No. 18 of 17 March 2020 on "*Measures to strengthen the National Health Service and provide economic support for families, workers and businesses related to the epidemiological emergency from COVID-19*", converted into law with amendments by Law No. 27 of 24 April 2020. 27 (the "D.L. Cura Italia"), the effectiveness of which had been extended most recently by paragraph 2 of Art. 11 of Law no. 21/2024.
In particular, it should be noted that (i) shareholders with voting rights could only attend the Shareholders' Meeting by granting proxy (or sub-delegation) to the representative designated by the Company pursuant to Article 135-undecies of the Consolidated Law on Finance; and (ii) the other persons entitled to attend the Shareholders' Meeting could only participate by means of telecommunications that would guarantee the identification of the participants, without the need for the Chairman, Secretary and Notary Public to be in the same place, in the manner individually communicated to them by the Company.

The Extraordinary Shareholders' Meeting of Ascopiave S.p.A. was also held on 16 December 2024, in the manner set forth in Article 106, paragraph 4, of Decree-Law No. 18 of 17 March 2020 on "*Measures to strengthen the National Health Service and provide economic support for families, workers and businesses related to the epidemiological emergency from COVID-19*", converted into law with amendments by Law No. 27 of 24 April 2020 (the "Decree-Law Cure Italy"), the effectiveness of which had been extended, most recently, until 31 December 2024, by paragraph 2 of Article 11 of Law No. 21/2024.
This Shareholders' Meeting resolved to amend Article 12 (Chairman and conduct of the Shareholders' Meeting) of the Company Articles of Association by incorporating the new regulation set forth in Article 135-undecies.1 TUF, introduced by Law No. 21/2024 ("Capital Law"), which came into force on 27 March 2024, allowing listed companies the right to hold Shareholders' Meetings exclusively through the representative designated pursuant to Article 135-undecies TUF ("Designated Representative"). Following the aforementioned amendment to the Articles of Association, in particular, it was specified in Article 12 of the Articles of Association that the notice of call of the Ascopiave S.p.A. Shareholders' Meeting if provided for by the Board of Directors, by the Chairman of the Board of Directors or, in his absence or impediment, by the Chief Executive Officer, may provide that attendance at both ordinary and extraordinary Shareholders' Meetings may take place, pursuant to Article 135-undecies.1 of the Consolidated Law on Finance, with the exclusive intervention of the Appointed Representative pursuant to Article 135-undecies of the Consolidated Law on Finance.
It should also be noted that the Extraordinary Shareholders' Meeting of 16 December 2024 also resolved:

- to amend Article 6 (Shares) of the Articles of Association (for more information, please refer to the paragraph "*Securities conferring special rights*" in Section 2 of this Report);

- to introduce, consistent with the proposal of the Board of Directors, the amendment to Article 21 (Remuneration of the Board of Directors) of the Articles of Association, specifically specifying that the remuneration of directors vested with special offices, includes the director vested with the office of Chairman and any managing director, and is aimed at ensuring greater clarity and consistency in the Articles of Association while maintaining compliance with regulatory provisions. This amendment is part of a plan to technically update and improve the clarity of the Articles of Association by adapting the wording to the best statutory practices on the subject;

- to formally renumber Article 22 (Composition and appointment of the Board of Statutory Auditors) of the Articles of Association.

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In order to facilitate Shareholders' participation in Shareholders' Meetings, the Articles of Association also stipulate that the notice of meeting may provide that participation in the Shareholders' Meeting may take place by means of telecommunications, provided that the collegial method and the principle of good faith and equal treatment of Shareholders are respected (Article 12, paragraph 1 of the Articles of Association).

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Article 13 of the Articles of Association of the Company provides that the provisions of the law and the provisions of the Articles of Association shall be observed for the constitution and resolutions of the Shareholders' Meeting, both ordinary and extraordinary.

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The Company's Ordinary Shareholders' Meeting of 5 July 2006 resolved to adopt Shareholders' Meeting Regulations (subsequently amended by the Shareholders' Meeting of 28 April 2008 and by the Shareholders' Meeting of 28 April 2011), which came into force as at the date on which trading commenced. This document is available on the Company's website (https://www.gruppoascopiave.it/investor-relations/assemblee). Said regulation, in particular, is aimed at regulating the conduct of the Shareholders' Meeting, guaranteeing its proper and orderly functioning and, in particular, the right of each shareholder to intervene on the items under discussion and constitutes a valid instrument to guarantee the protection of the rights of all shareholders and the correct formation of the meeting's will.

The Regulations envisage, among other matters, that the Chairman shall regulate the discussion by giving the floor to those entitled to speak (i.e. those who have the right to participate in the meeting according to the law and the Articles of Association) who have requested to do so.

In particular, those entitled to speak who intend to do so must make a request to the Chairman, after the item on the agenda to which the request to speak refers has been read out and the discussion has been opened, and before the Chairman declares the discussion on the item under discussion closed.

The request must be made by a show of hands, unless the Chairman has ordered that it be made by written requests. In the case of proceeding by a show of hands, the Chairman shall grant the floor to the person who raised his hand first; if it is not possible for him to determine this precisely, the Chairman shall grant the floor according to the order established by him in his sole discretion. Where written requests are made, the Chairman shall grant the floor in the order in which the applicants are registered.

The Chairman and/or, on his invitation, the directors and auditors, insofar as they are competent or deemed useful by the Chairman in relation to the matter to be discussed, respond to those entitled to speak after each of them has spoken, or after all the speeches on each item on the agenda have been completed, as decided by the Chairman.

Entitled persons, directors and auditors have the right to speak on each of the topics under discussion and to make proposals relating to them.

It should be noted that those entitled to participate may ask questions on the items on the agenda even before the Shareholders' Meeting, in accordance with the procedures envisaged in the notice of call.
Questions received prior to the Shareholders' Meeting by those entitled to participate shall be answered during the Shareholders' Meeting itself, unless the information requested has been made available in accordance with the applicable regulations and without prejudice to the right of the Chairman to answer questions with the same content as a single question.

Notwithstanding the foregoing, in the context of the Shareholders' Meetings held on 18 April 2024 and 16 December 2024, at which the shareholders took part exclusively by granting proxies to the Appointed Representative by the Company, the Company - consistently with the recommendations expressed by CONSOB in its Communication No. 3 of 10 April 2020 - has brought forward, with respect to the provisions of Article 127-ter, paragraph 1-bis, of the Consolidated Law on Finance, the deadline for providing answers to questions received from shareholders to the third trading day prior to the shareholders' meeting, so as to allow shareholders to make an informed choice in time for the purpose of voting instructions to the designated representative.

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It should be recalled that, in light of the regulatory changes that took place on the subject of transactions with related parties pursuant to the Regulation adopted by Consob Resolution No. 17221 of 12 March 2010 (as subsequently amended) as well as the changes introduced by Legislative Decree No. 27/2010 in implementation of Directive 2007/36/EC (the so-called "Shareholders' Rights Directive" or "SHRD"), the Extraordinary Shareholders' Meeting of 28 April 2011 resolved to supplement the Articles of Association by inserting a new article entitled "Transactions with Related Parties". This provision envisages the possibility that the Board of Directors may approve transactions of greater significance, notwithstanding the contrary opinion of the independent directors, provided that the Shareholders' Meeting authorises the transaction and the Shareholders' Meeting itself resolves, not only with the legal majorities, but also with the favourable vote of the majority of the non-related shareholders voting and provided that the non-related shareholders present at the Shareholders' Meeting represent at least 10 % of the share capital with voting rights.
It should also be noted that the Extraordinary Shareholders' Meeting of 29 April 2021 approved an amendment to Article 29 "Related Party Transactions", for the sake of clarity, aimed at specifying that the Ordinary Shareholders' Meeting will authorise any related party transactions of greater significance in the presence of the contrary opinion of the committee of independent directors responsible for issuing the opinion on the transaction.

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It should be recalled that the Extraordinary Shareholders' Meeting of 29 April 2021 also approved the introduction of the following changes in the convocation and conduct of the Shareholders' Meeting:
- an amendment to Article 10 of the articles of association to expressly clarify that it is not necessary for the Chairman of the meeting and the person taking the minutes to be present in the event of speeches being held in several places;
- in line with the provisions of Article 2369 of the Italian Civil Code, the express introduction in the Articles of Association of the possibility that the Shareholders' Meeting be held in a single call, without prejudice to the right of the Board of Directors to provide for the Shareholders' Meeting to be held in more than one call.

Furthermore, it should be noted that, at the same extraordinary session of the Shareholders' Meeting, an amendment to the Articles of Association was approved in order to grant the Board of Directors the power to pass resolutions on the issue of non-convertible bonds.
Please refer to section 4.1 "*Role of the Board of Directors*" of this Report for the other competences attributed to the Board of Directors in the Articles of Association.

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The Board of Directors reported to the Shareholders' Meeting on the activities performed and planned, and endeavoured to ensure that the shareholders were adequately informed about the necessary elements so that they could make informed decisions at the Shareholders' Meeting.
3 (three) directors attended the Shareholders' Meeting held on 18 April 2024 and 5 (five) directors attended the Meeting held on 16 December 2024.

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It is recalled that the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 23 April 2019 approved to amend Article 6 of Ascopiave's Articles of Association in order to introduce the mechanism of the voting right increase, pursuant to Article 127-quinquies of the Consolidated Law on Finance. Subsequently, it should be recalled that the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. held on 29 May 2020 approved an amendment to Article 6 (Shares) of the Company's Articles of Association, inserting a clarification regarding the conditions for the attribution of the increased voting right with the sole purpose of eliminating any reference to the "communication of the intermediary upon the shareholder's request" as a necessary circumstance for the attribution of the increased vote, thus providing that the latter shall operate automatically only upon the continuous possession for a minimum period of 24 (twenty-four) months from the registration in the so-called "Special List" (and without prejudice to any waiver by the shareholder concerned).
Lastly, the Extraordinary Shareholders' Meeting of 16 December 2024 resolved to amend Article 6 of the Articles of Association, eliminating the provision of a second notice by the intermediary, upon request of the shareholder, as a condition for the attribution of the increased voting rights.
Please note that the Regulations for the Increased Voting Rights and the relevant application form for inclusion in the Special List for the assignment of the Increased Vote are available on Ascopiave S.p.A.'s website at *www.gruppoascopiave.it*, Section "*Corporate Governance*" – "*Increased Voting rights*".
Also refer to the section "*Securities conferring special rights*" in the Section 2 of this Report for further details on the increased voting rights.

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Information on the manner in which the functions of the internal board committees are exercised is provided in this "Report on Corporate Governance and Ownership Structure", which is published annually in the Consolidated Annual Financial Report and made available in the "Corporate Governance" section of Ascopiave S.p.A.'s website (*www.gruppoascopiave.it*).
Below are the proposals drawn up by the Board of Directors of Ascopiave S.p.A. and submitted to the Shareholders' Meeting during previous financial years, to define a corporate governance system that is more functional to the Issuer's needs, pursuant to Recommendation 2 of the CG Code.

It should be recalled that the Board of Directors deemed it necessary to draft a proposal to amend Article 19 of the Articles of Association, a proposal approved by the Extraordinary Shareholders' Meeting of 29 April 2021, in order to define a corporate governance system that is more functional to the company's needs, pursuant to Recommendation 2 of the CG Code. This amendment concerned the constitution of Internal Board Committees, in order to provide the Board of Directors

with greater flexibility in setting them up and defining their composition and the rules that inform their operation.
In particular, pursuant to the new Article 19 of the Articles of Association, the Board of Directors may establish one or more committees from among its members with proposing and/or advisory functions, for which it approves the respective organisational regulations that govern their composition, duties and meeting procedures. In proposing the establishment of these committees, whose members it appoints and determines their remuneration, if any, the Board took into account the need to ensure that Ascopiave S.p.A.'s corporate governance system is in line with the provisions of current regulations. For further information on the reasons for the proposal that had been drawn up by the Board of Directors, please refer to the illustrative report published in the "Investor relations" section of the Company's website, specifically in the documentation relating to the Shareholders' Meeting of 29 April 2021.

With reference to the size and composition of the Board of Directors, it should be noted that, on 29 May 2020, the Extraordinary Shareholders' Meeting approved proposals formulated by the Board of Directors concerning amendments to Articles 14 (with reference to the composition of the Board of Directors) and 15 of the Articles of Association (with reference to the appointment of the Board of Directors) in order to introduce the increase in the number of directors from 6 (six) to 7 (seven), to increase from five to six the number of directors taken from the list that obtains the highest number of votes, as well as to integrate the mechanism for the replacement of directors in compliance with the legal and regulatory provisions envisaged in relation to gender balance. For more information on the rationale of the proposal that had been drafted by the Board, please refer to the illustrative report published in the "Investor relations" section of the Company's website, specifically in the documentation relating to the Shareholders' Meeting of 29 May 2020.

With reference to the composition of the current board of directors, it should be recalled that, on 23 February 2023, in accordance with the provisions of Recommendation 23 of the CG Code and considering that, with the approval of the financial statements for the financial year 2022, its term of office expired, the Board of Directors taking into account the results of the self-assessment ("board review") referred to the financial year 2022, expressed to the shareholders, on a voluntary basis, in view of the renewal of the administrative body for the financial years 2023-2025, the guidelines on the managerial and professional figures whose presence in the new Board of Directors would be deemed appropriate. The Board of Directors suggested ensuring, compatibly with the constraints and rules of corporate governance, an adequate continuity in the composition of the Board of Directors in order to make the most of the wealth of knowledge of Ascopiave S.p.A. accrued by the directors, necessary for the continuation of the current strategic plan, which is partly focused on the activities of the so-called "energy transition". In particular, the Board hoped that the renewal of the administrative body would also consider, in order to ensure continuity of action to the same, the confirmation of some of its members, enhancing their accrued knowledge of the Company and the business as well as the active contribution made to the Board's work during the term of office.

For more information on the aforementioned policy, please refer to this document, which is published on the Company's website (*www.gruppoascopiave.it* section "*Investor relator*" – "*Shareholders' Meetings*").

With reference to the administrative and equity rights of the shares, it should be noted that the Extraordinary Shareholders' Meeting of 29 May 2020, in an extraordinary session, introduced a clause limiting the voting rights applied to shareholders who meet the definition of "Operators" and to parties related to them, in the new Article 6-bis "Voting Restrictions" of the Articles of Association, resulting in the suspension of voting rights held in excess of the threshold of 5% of the total voting rights that can be exercised, and without prejudice to the exercise of equity rights and other administrative rights connected to the shareholding held by the person subject to the so-called "voting cap". For more information on the reasons for the proposal that had been drafted by the Board, please refer to the section "*Voting Right Restrictions*" of this Report.

In addition, it should be noted that in the 2021 financial year, as already anticipated in the section "*Employee share ownership: mechanism for exercising voting rights*" of this Report, the Shareholders' Meeting of 29 April 2021, in its extraordinary session, with reference to the regulations on share capital increases, introduced into the Articles of Association, in compliance with the applicable regulations, the statutory option provided for under Article 2349 of the Italian Civil Code, in order to attribute to the Shareholders' Meeting, in extraordinary part, the power to resolve capital increases through the issuance of shares, including special categories, to be assigned free of charge to its own employees and employees of subsidiaries. For further information, please refer to the illustrative report published in the "*Investor relations*" section of the Company's website, specifically in the documentation relating to the Shareholders' Meeting of 29 April 2021.

With regard to the introduction in the Articles of Association of the voting surcharge mechanism pursuant to Article 127-quinquies of the Consolidated Law on Finance, described above, the Board of Directors, within the framework of the illustrative report of the Shareholders' Meeting, provided adequate reasons on the purpose of the choice. For more information on the reasons for the proposal that had been drafted by the Board, please refer to the illustrative report published in the "*Investor relations*" section of the Company's website, in particular in the documentation relating to the Shareholders' Meeting held on 23 April 2019 and the Shareholders' Meeting of 29 May 2020.

***

During the Financial Year, with respect to the Shareholders' Meetings held on 18 April 2024 and 16 December 2024, (i) the Board of Directors made specific proposals for resolutions on items to be submitted to the Shareholders' Meeting and (ii) the shareholders did not make any requests for additions to the agenda or proposals for resolutions on items on the agenda of the Shareholders' Meeting.

14. FURTHER CORPORATE GOVERNANCE PRACTICES (pursuant to Article 123-bis, paragraph 2, letter a), second part, TUF)

As at 2012, the Board of Directors of Ascopiave S.p.A. adopted the document "Guidelines on the exercise of the power of management and coordination", most recently updated on 11 September 2020, which regulates the mechanisms for implementing management and coordination, information and control flows between the Issuer and its subsidiaries, in compliance with the prerogatives envisaged by the unbundling regulations for the Independent Manager and the vertically integrated company (so-called functional unbundling). The document, approved by the shareholders' meetings of the individual subsidiaries and subsequently adopted by the individual boards of directors of the subsidiaries, is an integral part of the Group's governance system.

It should be noted that at the board meeting of 11 November 2021, in consideration of the capitalisation of the Company and its shareholding structure, and therefore the absence of a fragmented shareholder base, the Board of Directors of Ascopiave S.p.A. did not deem it necessary to adopt a plan for the succession of the Chairman and CEO, pursuant to Recommendation 24 of the CG Code, however, considering it more useful to adopt a "Contingency Plan".
In particular, the purpose of the "Contingency Plan" is to illustrate the main steps of the corporate process for the replacement of the Chairman and CEO of Ascopiave S.p.A., Mr. Nicola Cecconato, upon the occurrence of one of the following "Significant Events":

- resignation with immediate effect;
- disqualification from office;
- death or permanent impediment to the performance of their duties.

The "Contingency Plan" entrusts a central role to the Lead Independent Director (or "LID"), in the management of the process, in his capacity as coordinator of the independent directors, whereby the LID is the contact figure to whom the corporate functions shall report the occurrence of a possible significant event. It will therefore be the LID's responsibility to bring together the independent directors to ascertain the actual existence of an event that would effectively make it impossible for the Chief Executive Officer to exercise his delegated powers. Should such a situation be confirmed, provision has been made for the automatic transfer of proxies to the most senior non-independent director, which, in consideration of the exceptional nature of the event, will be assumed for the period of time strictly necessary for the appointment of the new Chairman and Chief Executive Officer and with the same prerogatives and limits previously provided for the Chairman and Chief Executive Officer and will be exercised for the exercise of all those activities that may become necessary or merely opportune.
Within 24 hours of his taking office, the director thus identified will convene the Board of Directors, which will (i) ratify the powers of the most senior non-independent director who has temporarily assumed the powers to manage the Company and (ii) identify from among its members a person to whom the powers of Chairman and Interim Chief Executive Officer will be attributed.
The interim Chairman thus appointed will initiate a dialogue with the majority shareholder asking to receive indications as to who is to be appointed to replace the outgoing Chairman and Chief Executive Officer, and who is to be appointed Chairman and who is to be appointed Chief Executive Officer. These indications will be assessed by the Board of Directors in its autonomy and independence of judgement for the purpose of co-opting and appointing the new Chairman and Chief Executive Officer.
This plan has a time period whose effectiveness expires on the date of any approval of a new contingency plan by the Board of Directors.

15. CHANGES SINCE THE END OF THE REFERENCE FINANCIAL YEAR

Since the end of the reference Financial Year, there have been no changes in the corporate governance system adopted by the Issuer.

16. COMMENTS ON THE LETTER FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

On 18 December 2024, the Chairman of the Corporate Governance Committee (hereinafter also referred to as the "Committee"), Massimo Tononi, sent a letter, dated 17 December 2024, to all the

chairmen of the administrative bodies and, for information, to the managing directors and supervisory bodies of Italian listed companies.
The purpose of this letter is to analyse the reports on corporate governance and ownership structure referred to 2023 and published during 2024 by the issuers. In this context, the Committee, in addition to highlighting certain critical issues identified during the third monitoring exercise concerning the application of the new CG Code and envisaged in the annex "12th Report on the Application of the Corporate Governance Code" (hereinafter the "2024 Report") intended to communicate to the companies the main general indications on the application of the CG Code that emerged from the monitoring activity and to recommend - with reference to the recommendations for 2025 that are of particular relevance for the full realisation of the new CG Code's purposes - some application methods that could lead to their more effective application (hereinafter "Committee Recommendations for 2025" or "Recommendations"). In particular, the Chairman of the Committee invites you to submit the "2024 Report" and the "Recommendations" to the Board of Directors and the relevant committees for their consideration in order to analyse the alignment of the Company's practices with what is recommended and to identify any gaps in the application or explanations provided. Furthermore, the letter also calls for ensuring that these documents are adequately considered in the self-assessment activities of the Board of Directors and committees (so-called "board review"). This letter is also sent for information to the Chairman of the Board of Statutory Auditors for appropriate evaluations, in view of the responsibility of this body to supervise how the Code is actually implemented.

The Committee also announced that it had adopted an updated version on 16 December 2024 of the "Format for the report on corporate governance and ownership structure", produced by Borsa Italiana, attached to the letter.
In addition, in the letter, the Committee set out the effects of the recommendations sent in December 2023 with reference to the 2024 financial year, already analysed during the year, in particular during the Board of Directors meeting of Ascopiave S.p.A. on 22 February 2024.

It should be noted that the recommendations of the Committee for 2025, formulated in the aforementioned communication, were examined at the meeting of the Board of Directors on 20 February 2025. These recommendations were also previously reviewed by the Audit and Risk Committee at its meeting on 18 February 2025 and by the Remuneration Committee at its meeting on 17 February 2025. At these meetings, the Board of Directors and the relevant Internal Board Committees reviewed the recommendations of the Governance Committee, in order to assess the effective implementation of the Recommendations made by the Corporate Governance Committee and identify possible governance developments to be implemented during the financial year 2025. The Recommendations formulated in the letter were also submitted to the Board of Statutory Auditors.

Below is a summary of the results of the analysis of the specific Recommendations formulated by the Corportae Governance Committee, divided by thematic areas, with reference to the governance choices implemented by Ascopiave S.p.A.:

Completeness and timeliness of pre-board information
"Companies are invited to provide all useful information on how to apply Recommendation 11, taking into account that the failure to determine the deadlines for the prior submission of the information to the board and committees and/or the failure to provide information on the effective compliance with the deadlines and/or the provision, in the board regulations or adopted in practice, of the possibility of derogating from the timeliness of the disclosure for reasons

of confidentiality may constitute the non-application of Recommendation 11 of the Code. In the event of actual disapplication, companies are therefore invited to clearly indicate it in the corporate governance report, illustrating: the reasons for the disapplication, how the decision to disapply was taken within the company and how it intends to ensure compliance with Principle IX of the Code."
With respect to the pre-board information topic, the governance choices implemented during financial year 2023 and the content of the Governance Report 2023, published in 2024, are consistent with this examined recommendation of the Committee.
This Report informs you that in 2024 the Company began to use an IT application to manage boards of directors and committees that ensures traceability and makes it possible to make the management of business processes more efficient and effective.
Therefore, this Report is prepared in accordance with the recommendation examined. In this regard, please refer to Section "4. *Functioning of the Board of Directors*"..

Transparency and effectiveness of the remuneration policy
"Companies are therefore invited to provide all useful information on the methods of application of Recommendation 27, taking into account that the provision in the remuneration policy of variable components linked to generic sustainability objectives for which the specific evaluation parameters are not provided and/or extraordinary one-off disbursements whose nature and objectives are not identified and adequate decision-making procedures are not defined may constitute the non-application of Recommendation 27 of the Code. In the event of effective disapplication, companies are therefore invited to expressly indicate it in the corporate governance report, illustrating: the reasons, how the decision to disapply was taken within the company and how it intends to ensure compliance with Principle XV of the Code."
With regard to the variable components of remuneration linked to sustainability objectives, the information contained in Section I "Remuneration Policy" of the Report on the remuneration policy and compensation paid of Ascopiave S.p.A., published in 2024, as well as the information contained in the "2024-2027 Strategic Plan" approved by the Board of Directors of Ascopiave S.p.A. on 18 March 2024, is in line with the Committee's recommendation examined. In particular, the "LTI 2024-2026" share-based incentive plan approved on 5 March 2024 by the Board of Directors of Ascopiave S.p.A., on the proposal of the Remuneration Committee, and subsequently approved by the Shareholders' Meeting of Ascopiave S.p.A. on 18 April 2024, contains clear sustainability objectives relating to CO2 reduction in 2027 which were published in particular within the "2024-2027 Strategic Plan" approved by the Board of Directors of Ascopiave S.p.A. on 18 March 2024 and available on the website of the Company.
Furthermore, also with regard to the issuance of one-off extraordinary disbursements, there is alignment with the Committee's recommendation examined. In particular, it should be noted that the nature and objectives, as well as adequate decision-making procedures, have been identified in paragraph 5.5.1 of Section I "Remuneration Policy" of the Report on the remuneration policy and compensation paid of Ascopiave S.p.A., approved by the Shareholders' Meeting of Ascopiave held on 18 April 2024 with binding vote and published in 2024.
Also the Remuneration Policy 2025, which will be submitted to a binding vote at the Shareholders' Meeting to be called on 16 April 2025, in first call, and on 17 April 2025, in second call, will be drawn up in accordance with this recommendation of the Committee.

Executive role of the Chairman
"Companies are therefore invited to provide all useful information on how to apply Recommendation 4, taking into account that the lack of an adequately discussed explanation of the choice to attribute significant management powers to the Chairman (whether the CEO or not) may constitute a disapplication of Recommendation 4 of the Code. In the event of effective disapplication, companies are therefore invited to clearly indicate it in the corporate governance report,

illustrating: the reasons, how the decision of disapplication was taken within the company and how it intends to ensure compliance with Principles V and X of the Code."

The governance choice implemented, most recently, on 11 May 2023, is aligned with Recommendation 4 of the CG Code, with particular reference to the qualification of the Chairman and Chief Executive Officer, Mr. Nicola Cecconato, as Chief Executive Officer of the Company pursuant to the CG Code.

The information contained in the 2023 Governance Report is aligned with Borsa Italiana's Format.

This Report has also been prepared in line with the Recommendation examined. In this regard, for more information, please refer to Section "4.6. Executive Directors".

TABLES

TABLE 1: INFORMATION ON OWNERSHIP ASSETS AS AT 31/12/2024

SHARE CAPITAL STRUCTURE				
	No. of shares	**No. of voting rights**	**Listed (indicate markets) / unlisted**	**Rights and obligations**
Ordinary shares (***the mechanism of increased voting rights is envisaged***)	234,411,575	395,838,283	Euronext Star Milan	Each share entitles the holder to one vote. In the event that the right to vote has become effective, each share shall entitle the holder to two votes. The shareholders' rights and obligations are those envisaged in Articles 2346 et seq. of the Italian Civil Code and the Articles of Association.
Preference shares	–	–	–	–
Multiple-voting shares	–	–	–	–
Other categories of shares with voting rights	–	–	–	–
Savings shares	–	–	–	–
Convertible savings shares	–	–	–	–
Other non-voting share classes	–	–	–	–
More	–	–	–	–

SIGNIFICANT HOLDINGS IN THE CAPITAL AT THE DATE OF APPROVAL OF THE REPORT AS AT 6 MARCH 2025
(pursuant to Article 120 of the Consolidated Law on Finance, as well as the information in the Company's possession)

Declarant	Direct shareholder	Share % of ordinary capital	Share % of voting capital
Asco Holding S.p.A.	Asco Holding S.p.A.	51.900%	61.029%
.	.		
Municipality of Rovigo	ASM Rovigo S.p.A.	4.399%	5.210%

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AS AT 31/12/2024

Board of Directors													
Role	**Components**	**Year of birth**	**Date of first appointment (*)**	**In office since**	**In office until**	**List (presenters) (**)**	**List (M/m) (***)**	**Exec.**	**Non-exec.**	**Indep. Code**	**Indep. TUF**	**No. other assignments (****)**	**Participation (*****)**
Chairman and CEO -	Nicola Cecconato	1965	28/04/2017	18/04/2023	Budget 2025	Shareholders	M	X	-	-	-	1	18/18
Director	Luisa Vecchiato	1965	29/05/2020	18/04/2023	Budget 2025	Shareholders	M	-	X	X	X	0	18/18
Director	Federica Monti	1969	18/04/2023	18/04/2023	Budget 2025	Shareholders	M	-	X	X	X	1	17/18
Director	Greta Pietrobon	1983	24/04/2014	18/04/2023	Budget 2025	Shareholders	M	-	X	X	X	1	18/18
Director	Quarello Enrico	1974	14/02/2012	18/04/2023	Budget 2025	Shareholders	M	-	X	-	-	0	17/18
Director ○	Giovanni Zoppas	1958	18/04/2023	18/04/2023	Budget 2025	Shareholders	M	-	X	X	X	5	13/18
Director	Cristian Novello	1982	29/05/2020	18/04/2023	Budget 2025	Shareholders	m	-	X	X	X	0	17/18
------------------------------- DIRECTORS TERMINATED DURING THE FINANCIAL YEAR -------------------------------													

Indicate the number of meetings held during the Year: 18

Indicate the quorum required for the submission of lists by minorities for the election of one or more members (pursuant to Article 147-ter of the Consolidated Law on Finance): 2.5 %.

NOTES

The following symbols must be entered in the "Load" column:
- This symbol indicates the director in charge of the internal control and risk management system.
○ This symbol indicates the Lead Independent Director (LID).
(*) The date of first appointment of each director means the date on which the director was appointed to the Issuer's Board of Directors for the first time (ever).
(**) This column indicates whether the list from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board of Directors (indicating "Board of Directors").
(***) This column indicates whether the list from which each director was drawn is "majority" (indicating "M") or "minority" (indicating "m").
(****) This column indicates the number of positions as director or auditor held by the person concerned in other listed companies or companies of significant size. Please note that companies that are not defined as SMEs within the meaning of EU Recommendation 2003/361/EC have been defined as companies of significant size. Positions in subsidiaries and associated companies are excluded. In the Corporate Governance Report, appointments are indicated in full.
(*****) This column shows the directors' attendance at board meetings (indicate the number of meetings attended out of the total number of meetings attended; e.g. 6/8; 8/8 etc.).

TABLE 3: STRUCTURE OF BOARD COMMITTEES AS AT 31/12/2024

Board of Directors		Executive Committee		RPT Committee		Audit and Risk Committee		Remuneration Committee		Appointments Committee		Sustainability Committee		Committee of Independent Directors	
Role/Qualification	**Components**	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman and CEO	Nicola Cecconato	-	-	-	-	-	-	-	-	-	-		-		-
Non-executive Director - independent as per TUF and CG Code	Luisa Vecchiato	-	-	-	-	7/7	M	5/5	P	-	-	-	-	0	M
Non-executive Director - independent as per TUF and CG Code	Federica Monti	-	-	-	-	7/7	M	-	-	-	-	6/6	M	0	M
Non-executive Director - non-independent	Greta Pietrobon	-	-	-	-	-	-	5/5	M	-	-	6/6	P	-	-
Non-executive Director - non-independent	Enrico Quarello	-	-	-	-	-	-			-	-	6/6	M	-	-
Non-executive Director - independent as per TUF and CG Code (LID from 11/05/2023)	Giovanni Zoppas	-	-	-	-	-	-	-	-	-	-	-	-	0	M
Non-executive Director - independent as per TUF and CG Code	Cristian Novello	-	-	-	-	6/7	P	5/5	M	-	-			1/1	M
------------------------------- DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR -------------------------------															
------------------------------- MEMBERS WHO ARE NOT DIRECTORS -------------------------------															
Manager of the Issuer/Other	-														
No. of meetings held during the Year:		-		-		7		5		-		6		0	

NOTES (*) This column indicates the directors' participation in committee meetings (indicate the number of meetings attended out of the total number of meetings attended; e.g. 6/8; 8/8 etc.); (**) This column indicates the director's status within the committee: "P": chairman; "M": member.

TABLE 4: STRUCTURE OF THE BOARD OF AUDITORS AS AT 31/12/2024

Board of Auditors									
Role	Components	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Indep. CG Code	Participation in College meetings (***)	No. other assignments (****)
Chairman	Giovanni Salvaggio	1968	29/05/2020	18/04/2023	Budget 2025	m	X	8/8	0
Standing Auditor	Luca Biancolin	1952	24/04/2014	18/04/2023	Budget 2025	M	X	8/8	0
Standing Auditor	Barbara Moro	1977	29/05/2020	18/04/2023	Budget 2025	M	X	8/8	0
Alternate Auditor	Matteo Cipriano	1974	29/05/2020	18/04/2023	Budget 2025	M	X	-	-
Alternate Auditor	Mario Bosco	1974	29/05/2020	18/04/2023	Budget 2025	m	X	-	-
---------------- AUDITORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR ----------------									
Auditor	-	-	-	-	-	-	-	-	-

Indicate the number of meetings held during the Year: 8

Indicate the quorum required for the submission of lists by minorities for the election of one or more members (pursuant to Article 148 TUF): 2.5%.

NOTES

(*) The date of first appointment of each Statutory Auditor means the date on which the Statutory Auditor was first appointed (ever) to the Issuer's Board of Statutory Auditors.
(**) This column indicates whether the list from which each auditor was drawn is "majority" (indicating "M") or "minority" (indicating "m"),
(***) This column shows the attendance of the statutory auditors at meetings of the board of auditors (indicate the number of meetings attended out of the total number of meetings attended; e.g. 6/8; 8/8 etc.).
(****) This column shows the number of directorships or auditor appointments held by the person concerned pursuant to Article 148-bis of the Consolidated Law on Finance and the related implementing provisions contained in the Consob Issuers' Regulations. The complete list of offices is published by Consob on its website pursuant to Article 144-quinquiesdecies of the Consob Issuers' Regulations.

DECLARATION

regarding the Consolidated Financial Statements for the accounting period 2024, pursuant to Article 81-ter, Consob Regulation N. 11971 dated 14th May 1999, subsequent amendments and additions.

1) The undersigned dr. Nicola Cecconato in his capacity as Chairman of the Board of Directors, and dr. Riccardo Paggiaro, Officer Responsible for preparing the Corporate Financial Reports of Ascopiave S.p.A. hereby certify, pursuant to the guidelines of Article 154-bis, paragraphs 3 and 4, Legislative Decree n. 58, dated 24th February 1998:

- the appropriateness of the Financial Statements with respect to the characteristics of the company, and
- the actual adoption of administrative and accounting procedures in preparing the Consolidated Financial Statements for the period 1st January 2024 –31st December 2024.

2) We also declare that:

2.1 the consolidated financial statements:

(a) have been written in accordance with IFRS International Accounting Principles adopted by the European Union as well as with the provisions of regulations based on Article 9, Legislative Decree n. 38/2005;
(b) correspond to the information in the books and other accounting records;
(c) to our best knowledge, provide a true and fair representation of the performance and financial position of the Issuer and the companies included in the scope of consolidation.

2.2 the report on operations accompanying the financial statements contains a reliable analysis of operations and performance, as well as the situation of the Issuer and the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Pieve di Soligo – 6 March 2025

Chairman of the Board of Directors	*Officer Responsible for the preparation of Corporate Financial Reports*
dr. Nicola Cecconato signature	dr. Riccardo Paggiaro signature

DECLARATION

Of Sustainability Statements Certification pursuant to Article 81-ter, paragraph 1, Consob Regulation N. 11971 dated 14th May 1999, subsequent amendments and additions.

The undersigned dr. Nicola Cecconato in his capacity as Chairman of the Board of Directors, and dr. Riccardo Paggiaro, Officer Responsible for preparing the Corporate Financial Reports of Ascopiave S.p.A. hereby certify, pursuant to Art.154-bis, paragraph 5-ter, of the Italian Legislative Decree No.58 of 24 February 1998, that the Sustainability Statements included in the Report on Operations were drawn up:

a) in accordance with the reporting *standards* applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and of Legislative Decree 6 September 2024, No.125;

b) with the specifications adopted pursuant to Article 8.4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Pieve di Soligo, 6 March 2025

Chairman of the Board of Directors	*Officer Responsible for the preparation of Corporate Financial Reports*
dr. Nicola Cecconato signature	dr. Riccardo Paggiaro signature

DECLARATION

regarding the Financial Statements for the accounting period 2024, pursuant to Article 81-ter, Consob Regulation N. 11971 dated 14th May 1999, subsequent amendments and additions.

1) The undersigned dr. Nicola Cecconato in his capacity as Chairman of the Board of Directors, and dr. Riccardo Paggiaro, Officer Responsible for preparing the Corporate Financial Reports of Ascopiave S.p.A. hereby certify, pursuant to the guidelines of Article 154-bis, paragraphs 3 and 4, Legislative Decree n. 58, dated 24th February 1998:

- the appropriateness of the Financial Statements with respect to the characteristics of the company, and
- the actual adoption of administrative and accounting procedures in preparing the Financial Statements for the period 1st January 2024 –31st December 2024.

2) We also declare that:

2.1 the financial statements:

(a) have been written in accordance with IFRS International Accounting Principles adopted by the European Union as well as with the provisions of regulations based on Article 9, Legislative Decree n. 38/2005;
(b) correspond to the information in the books and other accounting records;
(c) to our best knowledge, provide a true and fair representation of the performance and financial position of the Issuer.

2.2 the report on operations accompanying the financial statements contains a reliable analysis of operations and performance, as well as the situation of the Issuer, together with a description of the main risks and uncertainties to which they are exposed.

Pieve di Soligo – 6 March 2025

Chairman of the Board of Directors	*Officer Responsible for the preparation of Corporate Financial Reports*
dr. Nicola Cecconato signature	dr. Riccardo Paggiaro signature

KPMG S.p.A.
Revisione e organizzazione contabile
Via Rosa Zalivani, 2
31100 TREVISO TV
Telefono +39 422 576711
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(The accompanying translated consolidated financial statements of the Ascopiave Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Ascopiave S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Ascopiave Group (the "group"), which comprise the consolidated statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, statements of changes in consolidated equity and the consolidated cash flow statement for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Ascopiave Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Ascopiave S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

Ascopiave Group's 2023 consolidated financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 27 March 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of the carrying amount of goodwill

Notes to the consolidated financial statements: note 1 "Goodwill"

Key audit matter	Audit procedures addressing the key audit matter
Ascopiave Group's consolidated financial statements at 31 December 2024 include goodwill of €61.7 million, accounting for 4% of total assets. Such goodwill partly arose from the transfer of gas distribution networks by member municipalities and the acquisition of natural gas distribution business units (€54.5 million) and partly from the acquisition of renewable energy production businesses (€7.2 million). The directors tested the cash-generating units (CGUs) to which goodwill is allocated for impairment by checking that their reporting-date carrying amount did not exceed their recoverable amount. They have calculated the CGUs' recoverable amount, based on their value in use, using the discounted cash flow model and the cash flows derived from the 2025-2028 financial projections approved by Ascopiave S.p.A.'s board of directors on 20 February 2025 and, thereafter and up to the end of the concession term, the financial projections approved by Ascopiave S.p.A.'s board of directors on 27 February 2025. The process and methods for measuring and determining each CGU's recoverable amount (based on its value in use) are very complex and entail the use of estimates which, by their very nature, are uncertain and subjective about: • the expected cash flows, calculated by taking into account the general economic performance and that of the group's sector, the actual cash flows for recent years and the projected growth rates; • the terminal value of the Gas distribution CGU, determined under two alternative scenarios: i) the expected profitability for 2028, estimated using the perpetual method, in the event of renewal of the concessions and ii) the plants' redemption values, pursuant to article 15 of Legislative decree no. 164/2000, in the event of non-renewal of the concessions;	Our audit procedures included: • understanding the process adopted to prepare the impairment test approved by the parent's board of directors and the key controls implemented by the group; • checking the accuracy of the CGUs' scope and of the allocation of goodwill to the individual CGUs; • checking whether how the directors carried out impairment tests complied with the IFRS; • understanding the process adopted for preparing the forecasts, on which basis the expected cash flows used for impairment testing have been estimated; • assessing the consistency of the cash flows used for impairment testing with the cash flows forecast in the projections approved by the board of directors; • analysing the reasonableness of the assumptions used by the group to prepare the forecasts; • checking any discrepancies between the previous year forecast and actual financial figures, in order to check the accuracy of the estimation process; • checking the mathematical accuracy of the model used to calculate value in use; • checking the sensitivity analysis presented in the notes in relation to the main key assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the recoverability of goodwill. We carried out these procedures with the assistance of our own valuation experts who independently recalculated the main assumptions used, including by

Key audit matter	**Audit procedures addressing the key audit matter**
• the financial parameters used to calculate the discount rate of the expected cash flows. For the above reasons, we believe that the recoverability of the carrying amount of goodwill is a key audit matter.	means of a comparison with external data and information.

Responsibilities of Ascopiave S.p.A.'s directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating Ascopiave S.p.A.'s or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 18 April 2024, Ascopiave S.p.A.'s shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2024 to 31 December 2032.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The Ascopiave S.p.A.'s directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

Ascopiave S.p.A.'s directors are responsible for the preparation of the Ascopiave Group's management report and report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the consistency of the management report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with Ascopiave Group's consolidated financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on the compliance with the applicable law does not extend to the report on operations' section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Treviso, 25 March 2025

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director of Audit

KPMG S.p.A.
Revisione e organizzazione contabile
Via Rosa Zalivani, 2
31100 TREVISO TV
Telefono +39 0422 576711
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' limited assurance report on the sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Ascopiave S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2024 sustainability statement of the Ascopiave Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the report on operations (the "sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2024 sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in section "The European Taxonomy (EU Reg. 2020/852)" of the sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under the Standard on Sustainability Assurance Engagements - SSAE (Italia) are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" paragraph of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Other matters

The 2023 comparative information has not been subjected to an assurance engagement.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Ascopiave S.p.A. (the "parent") for the sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the sustainability statement in accordance with the ESRS (the "materiality assessment process") and for the description of these procedures in section "IRO-1 - Description of the process to identify and assess relevant impacts, risks and opportunities" of the sustainability statement.

The directors are also responsible for the preparation of a sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in section "The European Taxonomy (EU Reg. 2020/852)" with article 8 of the taxonomy regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a sustainability statement in accordance with article 4 of the decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Inherent limitations in preparing the sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

Auditors' responsibilities for the sustainability assurance engagement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the sustainability statement.

As part of a limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures to check disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the sustainability limited assurance engagement and assuming full responsibility for the conclusion on the sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process. Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined, assessing their consistency with the Enterprise Risk Management (ERM) process;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the sustainability statement, including of the reporting boundary analysis, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error;

- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - with reference to certain subsidiaries, we visited AP Reti Gas S.p.A, AP Reti Gas Nord Ovest S.p.A. e Asco Power S.p.A.., which we selected on the basis of their business and contribution to the metrics of the consolidated sustainability statement. During these visits, we interviewed group's personnel and performed procedures to obtain documentary evidence supporting the correct application of the methods used to calculate the metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible economic activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the sustainability statement;
- we checked the consistency of the disclosures contained in the sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records used to prepare the consolidated financial statements or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the sustainability statement with the ESRS;
- we obtained the representation letter.

Treviso, 25 March 2025

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director of Audit

KPMG S.p.A.
Revisione e organizzazione contabile
Via Rosa Zalivani, 2
31100 TREVISO TV
Telefono +39 422 576711
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(The accompanying translated separate financial statements of Ascopiave S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Ascopiave S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Ascopiave S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, the statements of changes in equity and cash flow statement for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Ascopiave S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

Ascopiave S.p.A.'s 2023 separate financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 27 March 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of the carrying amount of investments in subsidiaries

Notes to the separate financial statements: note 3 "*Investments*"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2024 include investments in subsidiaries of €741 million, accounting for approximately 57.5% of total assets. The directors have calculated the subsidiaries' recoverable amount, based on the related CGUs' value in use, using the discounted cash flow model and the cash flows derived from the 2025-2028 financial projections approved by Ascopiave S.p.A.'s board of directors on 20 February 2025 and, thereafter and up to the end of the concession term, the financial projections approved by Ascopiave S.p.A.'s board of directors on 27 February 2025. The process and methods for measuring and determining each subsidiary's recoverable amount (based on value in use) are very complex and entail the use of estimates which, by their very nature, are uncertain and subjective about: • the expected cash flows, calculated by taking into account the general economic performance and that of the subsidiary's sector, the actual cash flows for recent years and the projected growth rates; • the terminal value of the investments in the subsidiaries included in the Gas distribution CGU, determined under two alternative scenarios: i) the expected profitability for 2028, estimated using the perpetual method, in the event of renewal of the concessions and ii) the plants' redemption values, pursuant to article 15 of Legislative decree no. 164/2000, in the event of non-renewal of the concessions; • the financial parameters used to calculate the discount rate of the expected cash flows. For the above reasons, we believe that the recoverability of the carrying amount of investments in subsidiaries is a key audit matter.	Our audit procedures included: • understanding the process adopted to prepare the impairment test approved by the company's board of directors and the key controls implemented by the company; • checking whether how the directors carried out impairment tests complied with the IFRS; • understanding the process adopted for preparing the subsidiaries' forecasts, on which basis the expected cash flows used for impairment testing have been estimated; • analysing the reasonableness of the assumptions used to prepare the forecasts; • assessing the consistency of the cash flows used for impairment testing with the cash flows forecast in the projections approved by the board of directors; • checking any discrepancies between the previous year financial forecast and actual figures, in order to check the accuracy of the estimation process; • checking the mathematical accuracy of the model used to calculate value in use; • checking the sensitivity analysis presented in the notes in relation to the main key assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about the recoverability of the carrying amount of investments in subsidiaries. We carried out these procedures with the assistance of our own valuation experts who independently recalculated the main assumptions used, including by means of a comparison with external data and information.

Responsibilities of Ascopiave's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 18 April 2024, Ascopiave S.p.A.'s shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2024 to 31 December 2032.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

Ascopiave S.p.A.'s directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

Ascopiave S.p.A.'s directors are responsible for the preparation of a management report and a report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the management report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the management report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with Ascopiave S.p.A.'s separate financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the management report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on the compliance with the applicable law does not extend to the management report' section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Treviso, 25 March 2025

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director of Audit

ASCOPIAVE S.P.A.

Registered Office in Pieve di Soligo (TV), Via Verizzo 1030
Share capital Euro 234,411,575.00 fully paid up
Tax Code – VAT Number – Companies' Register of Treviso-Belluno 03916270261

"REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING pursuant to Article 153, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance) and Article 2429, paragraph 2 of the Civil Code"

To the Shareholders,

the Board of Statutory Auditors, pursuant to Article 153, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance) and Article 2429, paragraph 2 of the Civil Code, is called on to report to the Shareholders' Meeting on the supervisory activities performed by it as well as on any omissions and improper events it may have detected. The Board of Statutory Auditors can also make comments and proposals regarding the financial statements, their approval and other matters within its jurisdiction.

During the year, the supervisory tasks, attributed to the Board of Statutory Auditors by the applicable provisions of law and regulations, were performed.

In accordance with the provisions of Article 2403 of the Civil Code ("Duties of Statutory Auditors"), the Board of Statutory Auditors has performed its duties by supervising compliance with the law and the Articles of Association, compliance with the principles of correct administration and in particular, the adequacy and proper functioning of the organisational, administrative and accounting system adopted by the Company.

The task of the statutory audit of the accounts pursuant to Article 14, Legislative Decree no. 39 dated 27th January 2010 has been assigned to the external auditing company KPMG.

During the financial year ended on 31st December 2024, the Board of Statutory Auditors performed the supervisory activities required by law, according to the rules of conduct for the Board of Statutory Auditors recommended by the National Council of Accountants and Chartered Accountants.

With regard to the activities performed during the year, also in compliance with the indications provided by CONSOB communication DEM/102SS64 of 6th April 2001, its subsequent amendments and additions, and with the indications contained in the Code of Conduct (currently Corporate Governance Code), we report the following:

1) The Board of Statutory Auditors supervised compliance with the law and the Articles of Association by respecting the periodicity envisaged in Article 23, paragraph 3 of the Articles of Association. We obtained information from the Directors on the activities and on the main operations approved from an economic, financial and equity viewpoint, which were implemented by the Company, its subsidiaries and associates during the year. In this regard, we can reasonably affirm that these operations comply with the law and the Articles of Association and that they are not manifestly imprudent, risky or in conflict with the resolutions passed by the corporate bodies or such as to compromise the integrity of the company's equity. Furthermore, from the information provided by the Directors to us, in accordance with the law, no operations performed by them are deemed to be in conflict with the interests of the Company.
2) The Board of Statutory Auditors assessed as complete the information provided by the Board of Directors in the management report, with regard to atypical and/or unusual transactions, including intra-group transactions and transactions with related parties. The Board of Statutory Auditors also assessed the information provided by the Board of Directors in the notes to the financial statements relating to intercompany and related party transactions, of an ordinary nature, and we believe these transactions to be congruous and in the Company's interests.
3) The external auditor KPMG S.p.A., in charge of the legal audit, has issued the reports pursuant to Article 14, Legislative Decree no. 39 dated 27th January 2010 and Article 10, EU Regulation no. 537/2014, regarding the separate financial statements and the consolidated financial statements of the Group on 31st December 2024,

prepared in accordance with the International Financial Reporting Standards - IFRS adopted by the European Union.

4) The Board of Directors of ASCOPIAVE Spa, on 6th March 2025, approved the Consolidated Sustainability Report pursuant to Legislative Decree 125/2024[1]. The auditing firm KPMG, on 25th March 2025, has released the report, which is summarised herein: "*... on the basis of the work carried out, no evidence has come to our attention that would lead us to believe that:*
   - *The Ascopiave Group's Consolidated Sustainability Report for financial year ended on 31st December 2024 has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive 2013/ 34/EU (European Sustainability & Reporting Standards, hereinafter also referred to as "ESRS");*
   - *The information contained in the section "The European Taxonomy Regulation (EU Reg. 2020/ 852)" of the Consolidated Sustainability Report has not been prepared, in all material respects, pursuant to Article 8 of Regulation (EU) No. 852 of 18th June 2020 (hereinafter also referred to as the "Taxonomy Regulation").*
5) No claims to the Board of Statutory Auditors pursuant to Article 2408 of the Civil Code were submitted during the year.
6) No other complaints to the court pursuant to Article 2409 of the Civil Code were received during the year.
7) For the 2024 accounting period, the fees of the external auditors, KPMG S.p.A. for their legal audit activities, amounted to Euro 343,499 (three hundred and forty-three thousand four hundred and ninety-nine), of which Euro 186,796 (one hundred and eighty-six thousand seven hundred and ninety-six) related to the accounting audit for ASCOPIAVE S.p.A, Euro 153,703 (one hundred and fifty-three thousand seven hundred and three) for its subsidiaries and Euro 3,000 (three thousand) for other services rendered to ASCOPIAVE S.p.A.
   As regards the legal audit of the separate annual statements for ASCOPIAVE S.p.A, the audit was carried out by Pricewaterhousecooper S.p.A. in the amount of Euro 16,000 (sixteen thousand) and in the amount of Euro 58,835 (fifty-eight thousand eight hundred and thirty-five) for subsidiaries.
   No activities were assigned to KPMG S.p.A. falling outside of Article 160, paragraph 1-ter, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance) and related CONSOB regulations, nor any implementation or responsibilities prohibited by Article 5, paragraph 1, EU Regulation 537/2014.
8) In view of the statement of independence issued by KPMG S.p.A. in accordance with Article 17 paragraph 9 letter a), Legislative Decree 39/2010 and regarding the functions conferred upon it by ASCOPIAVE S.p.A. and subsidiaries, as shown above, the Board of Statutory Auditors deems that there are no grounds to doubt the independence of the external auditing company.
   The auditing firm KPMG S.p.A. confirmed in its audit reports on both the annual financial statements and the consolidated financial statements its independence in the performance of its statutory audit mandate. In its Additional Report for the Audit Committee and the audit required by Article 1 of the EU Regulation No. 537/2014, and pursuant to Article 6 paragraph 2) letter a) of the same regulation, the auditors stated as follows: *"……On the basis of the information obtained to date and the audits carried out, taking into account the regulatory and professional standards governing auditing activities, during the period from 1st January 2024 to the date hereof, we have complied with the ethics standards set forth in Articles 9 and 9 bis, Legislative Decree 39/2010 and no situations have been reported that have compromised our independence pursuant to Articles 10 and 17, Legislative Decree 39/2010 and Articles 4 and 5, European Regulation 537/2014".*

[1] Please refer to page 68 of the Group Financial Report.

9) The Board of Statutory Auditors held 8 (eight) meetings to perform its supervisory activities.
The Board of Statutory Auditors attended all 18 (eighteen) meetings held by the Board of Directors and the Ordinary Meeting of the Shareholders on 18th April 2024 and the Extraordinary Meeting of the Shareholders of 16th December 2024.
The Board of Statutory Auditors also attended all 7 (seven) sessions held by the Internal Control and Risk Committee, the 5 (five) meetings of the Remuneration Committee and the 1 (one) meeting of the Independent Directors Committee.
10) The Board of Statutory Auditors evaluated and supervised, within our scope of work, compliance with the principles of fair administration and the adequacy of the Company's organisational structure, through the acquisition of information from Managers of the Company's departments and through meetings with the external auditors, to reciprocally exchange relevant facts and figures.
11) The Board of Statutory Auditors assessed and watched over the consistency of the internal control system and had periodic meetings[2] with the Internal Audit Manager of the Company. We did an in-depth analysis of the corrective measures proposed and received relevant updates, on at least a quarterly basis, of the related status, with particular care related to *compliance* issues. In this regard, we have taken note of the activities performed by the Internal Controls Manager during 2024. Our activities have revealed nothing untoward which may be considered an indicator of inadequacy or criticality of the internal control system.
12) The Board of Statutory Auditors supervised and evaluated the consistency of the administrative-accounting system as a reliable tool for representing operations correctly, through:
    i. The examination of the reports of the Director in charge of preparing the accounting and corporate documents, concerning the Administrative and Accounting structure and the Internal Control System, as well as the Company Information produced;
    ii. Obtaining timely and periodic information from the Managers of the respective functions;
    iii. Relations with the control bodies of the subsidiaries pursuant to paragraphs 1 and 2 of Article 151, Legislative Decree no. 58/1998 (TUF / Consolidated Law on Finance);
    iv. Participation in the work of the Control and Risk Committee;
    v. Receiving adequate updates on the activity performed by the Supervisory Committee set up by the Company in accordance with the provisions, Legislative Decree 231/2001.

    No anomalies emerged from the activities which could be considered indicators of the inadequacy of the administrative-accounting system.
13) The Board of Statutory Auditors has acquired knowledge and supervised, within the scope of our work, the adequacy of the instructions given by the Company to its subsidiaries, pursuant to Article 114, paragraph 2, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance), through the gathering of information from the Managers of the competent corporate functions and meetings with the auditing firm, as well as with the Boards of Statutory Auditors of the subsidiaries themselves, for the purpose of reciprocal exchange of relevant facts and figures.
14) The Board of Statutory Auditors held meetings with the managers of the auditing firm, also pursuant to Article 150, paragraph 3, Legislative Decree 58/1998, during which no facts or situations emerged which require highlighting in this report.
15) The Board of Statutory Auditors supervised the methods of compliance and actual implementation of the Code of Conduct (currently Corporate Governance Code) and the Code of Ethics & Conduct of ASCOPIAVE S.p.A., pursuant to Article 149, paragraph 1, letter c-bis, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance). The Board of Statutory Auditors has taken note of the verification performed by the Board of Directors regarding the independence of the directors, verifying the correct application of the criteria and procedures and assessment adopted. The Board of Statutory Auditors also verified the continuation of the independence of its members, in accordance with the provisions of the Code of Conduct (currently Corporate Governance Code) in force.
16) The Board of Statutory Auditors has viewed and obtained information on the organisational and procedural activities performed, pursuant to Legislative Decree no. 231/2001 and Legislative Decree no. 61/2002, concerning the administrative liability of Entities and the responsibility for the crimes envisaged by these regulations. The Supervisory Committee, established by the Board of Directors, has reported to the Board of

[2] Even with written communications.

Statutory Auditors on the activities performed during the 2024 financial year, highlighting the activities to ensure compliance with the legislation in force.

17) In compliance with the provisions of "*International Accounting Standards - IAS 24*" concerning the definition of related parties, it should be noted that these are fully indicated in the paragraph "Relations with related parties", in the chapter "Other comments to the 2024 annual financial report".
18) The Director in charge of preparing the accounting and corporate documents has released the declaration required by Article 154-bis, Legislative Decree 58/1998 (TUF / Consolidated Law on Finance), with reference to the separate and consolidated financial statements of ASCOPIAVE S.p.A. closed on 31st December 2024, expressing an overall positive evaluation.
19) The Board of Statutory Auditors highlights, among the significant events that occurred during the year, that[3]:

✓ In January 2024, the subsidiary Asco EG S.p.A. (now 'Asco Power S.p.A.') extinguished early the loan signed with Prelios. The residual debt, amounting to Euro 9,043 thousand, as of 31st December 2023 was posted among medium- and long-term loans for Euro 7,652 thousand and among payables to banks and short-term loans for Euro 1,391 thousand.

✓ On 18 March 2024, the Board of Directors approved the 2024-2027 strategic plan.
The plan confirms the strategic guidelines set out last year, outlining a path of sustainable growth in the core businesses of gas distribution and renewable energies and in new areas of activity. The company has announced that development will take place under conditions of a balanced financial structure, guaranteeing a remunerative distribution of dividends. Financial highlights:

- EBITDA as of 2027: Euro 139 million (+ Euro 44 million compared to the actual 2023);
- Net profit to 2027: Euro 42 million (+ Euro 5 million compared to actual 2023);
- Net investments 2024-2027: Euro 617 million;
- Divestments of minority interests 2024-2027: Euro 294 million;
- Net debt as of 2027: Euro 435 million;
- Financial leverage (Net financial position/shareholders' equity) as of 2027: 0.48;
- Dividend payout forecast: 14 cents per share for the financial year 2023, increasing by 1 cent per share in subsequent years until 2027.

The plan presents a scenario that valorises the possible award by the Group of some tenders for the gas distribution service in minimum territorial areas of interest. This opportunity, which depends, among other things, on the actual timing of the publication of calls for tenders, entails a forecast of a further growth in EBITDA to 2027 of Euro 21 million and an increase in the volume of investments of Euro 215 million.

- On 18 April 2024, the Ordinary Shareholders' Meeting approved the financial statements for the year and acknowledged the group's consolidated financial statements as of 31 December 2023, and resolved to distribute an ordinary dividend of Euro 0.14 per share, for a total of Euro 30.3 million, calculated on the basis of the shares outstanding at the end of the 2023 financial year. The ordinary dividend was paid on 8 May 2024 with ex-dividend date on 6 May 2024 (record date 7 May 2024).

The Ordinary Shareholders' Meeting also approved, with a binding vote, the first section of the report on remuneration policy and compensation paid prepared pursuant to Article 123-ter, Legislative Decree No. 58, dated 24 February 1998 (TUF / Consolidated Law on Finance) (i.e., the remuneration policy for the year 2024) and cast a favourable advisory vote on the second section of the report on remuneration policy and compensation paid drawn up pursuant to Article 1 23-ter of the TUF / Consolidated Law on Finance (i.e., the report on compensation paid in the year 2023).

The Ordinary Shareholders' Meeting also approved a share-based long-term incentive plan, reserved for the executive directors of Ascopiave S.p.A. and certain management resources of Ascopiave S.p.A. and its subsidiaries.

[3] Additional information or details about the subject discussed in this section can be found in the Group's financial statement on pages 24 to 28.

The Ordinary Shareholders' Meeting approved the authorisation to purchase and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 18 April 2023, for the portion not executed.

Lastly, the Ordinary Shareholders' Meeting resolved to appoint the auditing company KPMG S.p.A. as the legal auditor of Ascopiave S.p.A. for the financial years 2024 - 2032.

- ✓ On 18 April 2024, Ascopiave S.p.A. announced that it had published in the 'Sustainability' section of its website the Sustainability Report 2023, approved by the Board of Directors of Ascopiave S.p.A. in its meeting of 12 April 2024, following the positive opinion of the Sustainability Committee.

- ✓ During the month of May 2024, Ascopiave S.p.A. assigned 93,072 treasury shares to beneficiaries of the LTI 2021 -2023 Long-Term Share-Based Incentive Plan. This information was disclosed to the public on 7 June 2024 pursuant to Annex 3F of the Issuers' Regulations adopted by Consob resolution no. 11971 of 14 May 1999 and subsequent amendments and additions, in accordance with the times and procedures provided for by the applicable regulations.

- ✓ On 7 June 2024, Ascopiave S.p.A. announced that the increase in voting rights with respect to 1,007,997 ordinary shares of the Company had become effective, pursuant to Article 127-*quinquies*, Legislative Decree No. 98/ 1998 and Article 6 of the Articles of Association of Ascopiave. Therefore, on that date, the total number of Ascopiave ordinary shares with increased voting rights amounted to 160,973,482 shares.

- ✓ On 26 June 2024, Ascopiave S.p.A. announced that, pursuant to and for the purposes of Article 144-bis of Consob Regulation No. 11971/1999 ("Issuers' Regulation") and subsequent amendments and additions, as well as Article 2 paragraph 1 of Commission Delegated Regulation (EU) 2016/1052 ("Regulation (EU) No 1052/2013"), the plan for the purchase of treasury shares ('Plan') was initiated, availing itself of the 'safe harbour' exemption under Article 5 of EU Regulation No. 596/2014 ('MAR Regulation'), giving a special assignment to the authorized intermediary Equita SIM S.p.A. Ascopiave communicated that the Plan - initiated in execution of the resolution passed by the Ordinary Shareholders' Meeting of Ascopiave on 18 April 2024, which authorised, inter alia, the purchase of treasury shares, for the duration of 18 months, subject to revocation of the previous authorisation granted by the Shareholders' Meeting of 18 April 2023, for the unexecuted part - is being executed through the authorised intermediary Equita SIM S.p.A. for the purpose of favouring the regular trend of trading and prices, (against distorting phenomena linked to excessive volatility and/or low liquidity of exchanges), in compliance with the provisions of the MAR Regulation and the related EU and national implementing regulations, as well as the applicable pro tempore admissible market practice, as established by the competent supervisory authorities in accordance with art. 13 of the MAR Regulation. As of 26 June 2024, the Company held 17,608,506 treasury shares. It was specified that the execution of the Plan is coordinated exclusively by Equita SIM S.p.A., as an authorised intermediary that carries out the purchases in full independence and in compliance with the constraints of the applicable regulations, as well as within the limits of the resolutions adopted by the corporate bodies. It was also communicated that the purchase transactions carried out shall be disclosed to the market within the terms and according to the procedures set forth in the applicable regulations in force. Any subsequent amendments to the aforesaid Plan will be promptly communicated by the Company.

- ✓ On 5 July 2024, Ascopiave S.p.A. announced that the increase in voting rights with respect to 453,226 ordinary shares of the Company became effective, pursuant to Article 127-*quinquies*, Legislative Decree 98/1998 and Article 6 of the Articles of Association of Ascopiave. Therefore, on that date, Ascopiave's ordinary shares with increased voting rights amounted to 161,426,708 shares. Please note that art. 6 of the Articles of Association of Ascopiave provides that each share held by the same shareholder for a continuous period of at least twenty-four months from the date of its registration in the Special List established pursuant to art. 6.8 of the Articles of Association (the 'Special List') shall be attributed two votes.

✓ On 30 July 2024, A2A and Ascopiave communicated that A2A had received a non-binding offer from Ascopiave for the purchase of a compendium of assets consisting of approximately 490,000 gas distribution PDR in Lombardy (in the territorial areas of Brescia, Bergamo, Cremona, Pavia and Lodi), currently managed by companies wholly owned by A2A. The parties have agreed to continue negotiating and A2A has granted Ascopiave an exclusive negotiating period until December 15, 2024 to carry out the usual due diligence activities with the aim of possibly reaching a binding agreement by that date. On July 30, 2024, A2A and Ascopiave communicated that the possible finalization of the transaction would be subject, inter alia, to the positive outcome of the due diligence, the negotiation of contractual agreements to their mutual satisfaction, the obtaining of the necessary authorisations from the competent authorities, as well as the approval of the corporate bodies of A2A and Ascopiave. On December 13, 2024, in recalling the previous communication made on July 30, 2024 concerning the concession to Ascopiave S.p.A, by A2A S.p.A., of a period of exclusive negotiation of the terms and conditions of the sale of an asset compendium of approximately 490,000 PDR in Lombardy, A2A S.p.A. and Ascopiave S.p.A. inform that today a technical extension of this exclusivity period was agreed from December 15 to December 24, 2024 included, to allow the parties to complete the negotiation.

✓ On 16 December 2024, the Extraordinary Shareholders' Meeting of Ascopiave S.p.A. was held. The Extraordinary Shareholders' Meeting of Ascopiave adopted a series of amendments to the Company's Articles of Association, which are briefly summarised below:
- it resolved to amend Article 6 (Shares) of the Articles of Association, clarifying that the shareholder's entitlement to an increased vote and the effects of the accrual of the right envisaged by Article 127-quinquies of the TUF/ Consolidated Law on Finance - after the minimum period of continuous holding of shares registered in the special list pursuant to Article 127-quinquies, paragraph 2, of the TUF - is not deferred to an express request to the intermediary to send the Company the notice, mentioned in Article 44, paragraph 3, of the “Single measure on post-trading of Consob and the Bank of Italy of 13 August 2018” (containing the regulation of central counterparties, of central depositories and centralised management activities”) introduced by the provision of 10 October 2022 (the “Single Measure on Post-trading”), with the consequent elimination of the provision of a second communication by the intermediary, upon the holder's request, as a condition for the attribution of the voting increment;
- it approved the amendment of Article 12 (Chairman and conduct of Shareholders' Meetings) of the Articles of Association, incorporating the new regulation in Article 135-undecies. 1 of the Consolidated Law on Finance, introduced by Law no. 21 of 5 March 2024 (‘Capital Law’), which came into force on 27 March 2024, allowing listed companies the right to hold shareholders' meetings exclusively through the representative appointed pursuant to Art. 135-undecies of the Consolidated Law on Finance;
- it resolved to introduce, in line with the proposal of the Board of Directors, the amendment to Article 21 (Remuneration of the Board of Directors) of the Articles of Association, in particular the clarification that the remuneration of directors invested with special offices, includes the director invested with the office of Chairman and any managing director, and is aimed at ensuring greater clarity and consistency in the Articles of Association while maintaining adherence to regulatory provisions. This amendment is part of a technical update and is intended to improve the clarity of the Articles of Association by bringing the wording into line with the best statutory practices on the subject;
- it resolved to renumber Article 22 (Composition and appointment of the Board of Trade Unions) of the Articles of Association.

In accordance with the provisions of the Articles of Association, shareholders who did not participate in the approval of these resolutions do not have the right of withdrawal.

✓ On 16 December 2024, Ascopiave S.p.A. and Hera S.p.A. announced that, following the exercise by Ascopiave of its option to sell its 25% stake in EstEnergy, Hera Comm becomes the sole shareholder of the largest energy operator in the North-East. Specifically, it was announced that the Hera Group, through its subsidiary Hera Comm, and Ascopiave have stipulated in Bologna the deed of sale by the latter of 25% of the share capital of EstEnergy, the commercial joint venture set up in 2019 that constitutes the largest energy operator in the North-East. The Hera Group's stake in EstEnergy has thus risen to 100%, while Ascopiave has completed its exit from the company, after selling the first 8% in 2022 and a further 15% in 2023. The possibility of a time-delayed exit represented a value for both companies: in fact, it enabled the simultaneous enhancement of Ascopiave's territorial roots with the industrial approach in the management of Hera's sales activities. The economic fundamentals of the customer base have thus significantly improved, expressing synergies and opportunities for the supply of value-added services, laying solid premises for further growth in margins. In five years, through the rationalisation of the number of companies and the renewal of information systems, it has been possible to improve the quality of the relationship with customers by combining the territorial nature of the relationship with a commercial approach with the highest standards, which has made it possible to increase and strengthen the contact channels and the type of energy solutions for customers, with the objective of supporting them on the path to decarbonisation. The formalised transaction, for a countervalue of approximately Euro 232 million, derives from the exercise of the put option held by Ascopiave on its own stake in the company, as established in the agreements signed between the parties when the partnership was established. This value will be paid by July 2025, concurrently with the endorsement of the shares. The transaction gives, in fact, full execution to the agreements made in 2019, which were therefore already fully reflected in the net financial position of the Hera Group. The transaction allowed the Ascopiave Group, whose partnership with the Hera Group continued with the shareholdings in Hera Comm and Acantho, to improve the sustainability of its capital structure, in line with the objectives of its strategic plan, contributing to the financial coverage of investments in core and diversification activities.

✓ On 19 December 2024, A2A and Ascopiave announced that a preliminary purchase agreement (signing) was signed concerning the acquisition by Ascopiave of 100% of the shares of a corporate vehicle that will own at closing a business unit comprising in its entirety a compendium of assets consisting of approximately 490 thousand PDR of gas distribution related to ATEM in the Provinces of Brescia, Cremona, Bergamo, Pavia and Lodi, with a RAB2023 of Euro 397 million and an EBITDA 2023 of Euro 44 million. The assets included in the branch of business subject to the transaction are currently held by Unareti and LD Reti (wholly owned subsidiaries of A2A) and will be the subject of cli contribution in the aforementioned vehicle in the period between the signing and the closing. The base price agreed for the deal is Euro 430 million, which expresses the valuation of the business as of December 31, 2023, subject to adjustment downstream of the closing, as per practice. The deal is subject to the occurrence of conditions precedent customary for this kind of transaction, including the trial of the so-called Golden Power procedure. The closing is expected to be finalized by July 2025. Ascopiave will finance the acquisition mainly through the resources deriving from the exercise of the put option on its minority shareholding in EstEnergy and for the remaining part, through the assumption of new financial debt, already contracted and/or in the process of being finalized.

✓ On December 31, 2024, the project of reorganization of some subsidiaries became effective in civil law. Specifically, in the area of natural gas distribution, it provides for the division of activities under two companies, one operating in the Northeast territory and one in the Northwest. As part of the transaction, the Group companies AP Reti Gas Rovigo S.r.l., AP Reti Gas Vicenza S.p.A., AP Reti Gas Nord Est S.r.l. were merged by incorporation into the subsidiary AP Reti Gas S.p.A. and, at the same time, it carried out a partial and proportional demerger in favour of Romeo Gas S.p.A. of 15 gas distribution concessions and related contracts (including labour relations.). The Group's other distribution companies, Edigas Esercizio Distribuzione Gas S.p.A. and Serenissima Gas S.p.A., were merged by incorporation in Romeo Gas S.p.A. Following this operation Romeo Gas S.p.A., which in this context changed its company name to AP Reti Gas Nord Ovest S.p.A., carried out a partial and proportional spin-off in favour of AP Reti Gas S.p.A. of 12 gas distribution concessions and related contracts (including labour relations). It should also be noted that as part of the reorganization operation, some properties owned by the parent companies were subject to a partial and proportional demerger in favour of the parent company Ascopiave S.p.A.

The shareholders' meetings of the companies approved the merger project during the month of September.

The exchange of shares was carried out at book values, as all the participating companies being wholly owned by Ascopiave S.p.A, the value attributed has no impact on the shareholdings.

On the same date, the plan for the merger by incorporation of the company Asco Renewables S.p.A. into Asco EG S.p.A. became effective, and the latter assumed all its rights and obligations, continuing in all its relationships prior to the merger. Concurrently with the merger, Asco EG S.p.A. assumed the name Asco Power S.p.A. Following the transaction, the company's share capital is represented by Ascopiave S.p.A. (90.20%) and Fin-Energy (9.80%).

The accounting and tax effects of the extraordinary transactions took effect on 1 January 2025.

20) The Board of Statutory Auditors has also received analytical information on the impairment test performed by the auditing firm DELOITTE & TOUCHE S.p.A. confirming the values of goodwill and some high-value financial assets entered in the balance sheet. The related details have been provided by the Board of Directors at its meeting of 27 February 2025 and in the financial statements and are consistent with international accounting principles and Consob guidelines.

The Board of Statutory Auditors is not aware of other facts or elements that are relevant and / or worthy of being brought to the attention of the Shareholders' Meeting.

In consideration of the above, on the basis of the audit activity performed during the year, there are no impediments to the approval of the financial statements on 31st December 2024 and to the proposal of the Board of Directors, with regard to the destination of the fiscal year result.

Pieve di Soligo, 25th March 2025

The Board of Statutory Auditors
Giovanni Salvaggio (signature)
Barbara Moro (signature)
Luca Biancolin (signature)

Ascopiave Group

Via Verizzo, 1030 – 31053 Pieve di Soligo (TV) – Italy
Tel: +39 0438 980098 – Fax: +39 0438 82096
Email: info@ascopiave.it - www.gruppoascopiave