



# Report of the Board of Statutory auditors on financial year 2025

To the shareholders' meeting pursuant to art. 153 of Italian Legislative Decree no. 58/1998

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# REPORT OF THE BOARD OF STATUTORY AUDITORS ON FINANCIAL YEAR 2025

## TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 153 OF ITALIAN LEGISLATIVE DECREE NO. 58/1998

Dear Shareholders,

This Report has been prepared pursuant to Article 153 of Italian Legislative Decree No. 58 of 24 February 1998 (Italian Consolidated Financial Act, "ICFA"), as well as Italian Legislative Decree No. 39/2010 and the other applicable legal and regulatory provisions. It presents to the Shareholders' Meeting of ERG S.p.A. (hereinafter also the "Company" or "ERG") the supervisory activities carried out by the Board of Statutory Auditors during the financial year ended 31 December 2025.

This Report has also been prepared in accordance with the principles of conduct for Boards of Statutory Auditors issued by the Italian National Council of Chartered Accountants and Accounting Experts, with CONSOB communications on corporate controls, and with the recommendations contained in the Corporate Governance Code, to which the Company adheres.

This Report has been drawn up by the Board of Statutory Auditors appointed by the Shareholders' Meeting of ERG by resolution of 22 April 2025 for the three-year period 2025-2027.

The appointment was made on the basis of lists submitted by shareholders, in compliance with the provisions of the ICFA, the Issuers' Regulation and the Company's Articles of Association, ensuring adequate representation of minority shareholders and gender balance.

Pursuant to Article 153 of the ICFA, the Board of Statutory Auditors reports to the Shareholders' Meeting convened to approve the annual financial statements on the supervisory activities carried out, providing an account of the performance of its duties, any omissions or irregularities identified, and setting out its observations on the financial statements and other matters within its remit.

The Board of Statutory Auditors is currently composed of: Monica Mannino (Chairwoman), Giulia De Martino (Standing Statutory Auditor) and Fabrizio Cavalli (Standing Statutory Auditor).

The legal auditing of the Company's accounts is carried out by the auditing firm KPMG S.p.A. (hereinafter: the "Independent Auditors" or "KPMG") for the duration of 9 financial years (2018-2026) as resolved by the Shareholders' Meeting of 23 April 2018.

During the financial year ended 31 December 2025, the Board of Statutory Auditors of ERG performed the supervisory activities required under Article 149 of the ICFA, in accordance with applicable legislation and CONSOB communications on corporate controls and the activities of the board of statutory auditors (in particular, communication of 20 February 1997, No. DAC/RM 97001574; communication No. DEM/1025564 of 6 April 2001 and subsequent additions No. DEM/3021582 of 4 April 2003 and No. DEM/6031329 of 7 April 2006), as well as taking into account the principles of conduct recommended by the Italian National Council of Chartered Accountants and Accounting Experts and the recommendations of the Corporate Governance Code, to which the Company adheres.

In addition, as the Company has adopted the traditional governance model, the Board of Statutory Auditors is the "Internal Control and Audit Committee" (hereinafter also referred to as "ICAC"), which is responsible for additional specific control and monitoring functions with regard to financial reporting, statutory audit and sustainability reporting, pursuant to Article 19 of Italian Legislative Decree No. 39 of 27 January 2010, as amended by Italian Legislative Decree No. 135 of 17 July 2016 and Italian Legislative Decree No. 125 of 6 September 2024, the decree implementing EU Directive No. 2022/2464.

The Board of Statutory Auditors obtained the essential and necessary information for the performance of the supervisory tasks assigned to it by, among other things, attending the meetings of the Board of Directors and the board committees recommended by the Corporate Governance Code, analysing the information flows acquired from the relevant corporate structures, holding interviews with the management of the Company and the Group, holding meetings with the statutory auditor, the Supervisory Board and the corresponding control bodies of the Group companies, and performing additional control activities.

During the 2025 financial year, the Board of Statutory Auditors, in its capacity as ICAC, pursuant to Article 19 of Italian Legislative Decree No. 39/2010, as amended by Italian Legislative Decree No. 135/2016, initiated — on the basis of the Methodological Note for the procedure for awarding audit engagements within the ERG Group approved by the Board of Statutory Auditors on 16 September 2025 — the preliminary activities aimed at carrying out the selection procedure for the appointment of the statutory audit engagement for the nine-year period 2027-2035, in view of the expiry of the current engagement with the independent auditors KPMG, scheduled with the date of the Shareholders' Meeting to be convened for approval of the financial statements ending 31 December 2026.

The early launch of this process, in line with applicable legislation and best practices for public-interest entities, is intended to ensure an orderly handover between the outgoing independent auditors and the new ones, as well as full compliance with the provisions on independence and incompatibility, including the requirements set out in Regulation (EU) No. 537/2014, also with reference to the so-called "cooling-in period".

Following completion of the selection procedure, the Board of Statutory Auditors, in its capacity as ICAC, has therefore submitted its reasoned proposal in accordance with the applicable regulations, to be presented to the Shareholders' Meeting of 22 April 2026 called to resolve on the appointment of the statutory audit engagement pursuant to Article 13(1) of Legislative Decree No. 39/2010 for the financial years 2027-2035 and the certification of the compliance of the consolidated sustainability report pursuant to Article 13, paragraph 2-ter, of Legislative Decree No. 39/2010 for the financial years 2027-2029.



### **Board of Statutory Auditors – Appointment, term of office and operation**

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of ERG by resolution of 22 April 2025 and will remain in office for three financial years, expiring on the date of the Shareholders' Meeting convened to approve the annual financial statements at 31 December 2027.

In order to acquire the information required to perform its supervisory duties, the Board of Statutory Auditors met a total of 23 times during the 2025 financial year.

It is hereby acknowledged that the composition of the Board of Statutory Auditors in office complies with the provisions on gender diversity set forth in Article 148, paragraph 1-bis, of the ICAF, and at Article 144-undecies, paragraph 1, of the Issuers' Regulation.

The Board of Statutory Auditors carried out periodic assessments to verify that its members continue to meet the requirements of independence, professional competence and integrity, in accordance with Article 148, paragraphs 3 and 4, of the ICAF, the principles of conduct for Boards of Statutory Auditors recommended by the Italian National Council of Chartered Accountants and Accounting Experts, and Recommendations 7 and 9 of the Corporate Governance Code (January 2020 edition).

The principal positions held by the members of the Board of Statutory Auditors are disclosed in the Report on Corporate Governance and Ownership Structure at 31 December 2025.

With regard to its operation, the Board:

- a) verified the regular attendance of its members at meetings of the Board itself, as well as at all meetings of the Board of Directors and the board committees provided for by the Corporate Governance Code;
- b) organised its activities according to a risk-based approach, aimed at identifying the main risk areas and ensuring adequate information flows from the heads of corporate functions, as well as through a structured programme of periodic meetings with the Company's management and with the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001.

The specific control and monitoring functions assigned to the Board of Statutory Auditors in its capacity as ICAC in terms of financial reporting, consolidated sustainability reporting and statutory audit, envisaged by Article 19 of Italian Legislative Decree No. 39 of 27 January 2010, as supplemented by Italian Legislative Decree No. 125/2025, resulted in, among other things, a constant and mutual exchange of information with the Independent Auditors and with the Manager responsible for preparing the company's financial reports.

### **Board of Statutory Auditors Self-assessment**

In accordance with the principles of conduct for Boards of Statutory Auditors issued by the Italian National Council of Chartered Accountants and Accounting Experts, and with the recommendations of the Corporate Governance Code, the Board of Statutory Auditors carried out, also in respect of the financial year under review, a self-assessment process concerning its composition and operation.

During the financial year — marked by the renewal of the Supervisory Body for the new term of office, with the confirmation of the Chairwoman and two Standing Auditors — the self-assessment exercise confirmed the effectiveness and efficiency of the Board's activities.

The process also confirmed the overall adequacy of the composition of the Board of Statutory Auditors in terms of professional expertise, skills and diversity of experience, including in light of the experience gained by certain members in previous mandates. It also highlighted the Board's ongoing commitment to maintaining continuous and constructive interaction with the Board of Directors and its committees, as well as with the boards of statutory auditors of the subsidiaries.

The self-assessment further identified the opportunity to continue induction activities and to further strengthen the Board's competencies, particularly in relation to technological developments and cyber security, as well as sustainability reporting matters, also taking into account the evolving operating environment and the applicable legal and regulatory framework.

### **Board of Directors – Appointment, term of office and operation**

The Board of Directors of ERG in office at the date of this Report is composed of 12 Directors and was appointed by the Shareholders' Meeting of 23 April 2024. The mandate expires on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2026.

Two lists of candidates were presented for the appointment of the current Board of Directors, one by the shareholder SQ Renewables S.p.A. and the other by a number of institutional investors, pursuant to the provisions of the ICFA, the regulations implementing the ICFA and the Company's Articles of Association. Eleven Directors were elected from the majority list and one from the minority list.

The following Directors were found to be independent (pursuant to Article 148, paragraph 3, of the ICFA, the Corporate Governance Code and the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee): Marina Natale, Elisabetta Caldera, Federica Lolli, Elisabetta Oliveri and Daniela Toscani, i.e. five Directors out of 12.

It should be noted that on 12 December 2025 the Board of Directors, following the resignation tendered by Director Luca Bettonte from his position as Director and member of the Strategic Committee, appointed Paolo Arlandini as a non-executive Director of the Company and member of the Strategic Committee. He will remain in office until the next Shareholders' Meeting of ERG, scheduled for 22 April 2026.

Within the Board of Directors, the role of Chairman is held by Edoardo Garrone, that of Executive Deputy Chairman, as well as Director in charge of the Internal Control and Risk Management System, by Alessandro Garrone, that of Deputy Chairman by Giovanni Mondini, that of Chief Executive Officer by Paolo Luigi Merli, that of Lead Independent Director by Elisabetta Oliveri.

On 15 July 2025, the Board of Directors confirmed that the Directors qualified as independent continued to meet the requirements set out in applicable law, the Corporate Governance Code and the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee.

Within the scope of its duties, the Board of Statutory Auditors reviewed the assessment process carried out by the Board, verifying the correct application of the criteria and procedures adopted to ascertain independence requirements, in compliance with the law, the Corporate Governance Code and the internal regulations referred to above, as well as compliance with the requirements relating to the composition of the Board of Directors as a whole. It is also noted that the composition of the Board of Directors complies with the provisions on gender balance set out in Article 147-ter and Article 144-undecies.1 of the *Issuers' Regulation*.



In addition, the Board of Statutory Auditors agreed with the positive assessment expressed by the Nominations and Remuneration Committee and endorsed by the Board of Directors, as envisaged by recommendations 21, 22 and 23 of the Corporate Governance Code, on the size and composition of the Board of Directors and its operation as well as on the size, composition and operation of the Board committees.

The Board of Directors has set up the following internal committees:

- **Control, Risk and Sustainability Committee**, composed of three non-executive and independent directors, which met 11 times in 2025.
- **Nominations and Remuneration Committee**, composed of three non-executive directors, all independent pursuant to the ICFA and the Corporate Governance Code, and which met 7 times during 2025.
- **Strategic Committee**, composed of seven directors, one of whom independent pursuant to the ICFA and the Corporate Governance Code, and which met 12 times during 2025. The Board of Statutory Auditors does not participate in the meetings of the Strategic Committee.

Information on the activities carried out by the Committees is provided in the Report on Corporate Governance and Ownership Structure at 31 December 2025. As part of its supervisory activities, the Board of Statutory Auditors also reviewed the information and reports prepared by the board committees established by the Company, in particular the Control, Risk and Sustainability Committee — tasked with supporting the Board of Directors in its assessments and decisions relating to the internal control and risk management system — and the Remuneration and Nominations Committee, which performs advisory and consultative functions in relation to remuneration policies and director appointment processes.

The Board of Statutory Auditors maintained an ongoing exchange of information with these committees, acquiring useful elements for assessing the adequacy of the Company's organisational, administrative and accounting structure, as well as its internal control system.

The Board of Statutory Auditors attended meetings of the Board of Directors and obtained information on the activities carried out and on the most significant economic, financial and equity transactions undertaken by the Company.

### Endorsement by the Company of the Corporate Governance Code

The Company has endorsed the Italian Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. since its first edition in 1999. The Board of Directors adopted the *Corporate Governance Code* published on 31 January 2020 by resolution of 15 October 2020 and has progressively implemented the recommendations issued by the Italian Corporate Governance Committee.

Most recently, at its meeting of 25 February 2026, the Board of Directors reviewed the guidance set out in the 2025 Report on the evolution of corporate governance of listed companies — the 12th report on the application of the Corporate Governance Code — assessing its appropriate integration into the Company's governance system.

Following the endorsement of the updated Corporate Governance Code, the Board of Directors adopted the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee and approved the Policy for the management of dialogue with shareholders and investors in general, also taking into account the engagement policies adopted by institutional investors and by asset managers, updated on 23 February 2024 to extend its application to all the Company's stakeholders; as a result of this update, the name was consequently changed to the Policy for Managing Dialogue with Stakeholders.

Pursuant to Article 149, paragraph 1, letter c-bis of the ICFA, the Board of Statutory Auditors supervised the manner in which the Corporate Governance Code was implemented in practice.

The Board also acknowledges that the letter of the Chairman of the Italian Corporate Governance Committee of 18 December 2025 and the related Recommendations of the Committee for the year 2026 have also been discussed by the Board of Statutory Auditors.

Finally, the Board acknowledges that the ERG Board of Directors approved the Report on Corporate Governance and Ownership Structure at 31 December 2025, after assessing the consistency of the Report with the principles and recommendations of the Corporate Governance Code and having consulted the Control, Risk and Sustainability Committee with particular reference to the essential elements of the Internal Control and Risk Management System and the methods of coordination between the Entities involved.

With reference to the Internal Control and Risk Management System (ICRMS), it should be noted that the Board of Directors has assigned the supervisory role to the Executive Deputy Chairman, rather than to the Chief Executive Officer as suggested by the Corporate Governance Code, considering this choice to be more effective and consistent with the principle of segregation of duties. In particular, the Chief Executive Officer is responsible for identifying the main business risks, while the Executive Deputy Chairman ensures — through oversight, direction and control powers — the overall effectiveness and adequacy of the system.

### Management and coordination

It is recalled that during 2022, direct control of ERG was transferred from San Quirico S.p.A. to SQ Renewables S.p.A., a newly established company with a majority stake (51%) held by San Quirico S.p.A. and, indirectly, a minority stake (49%) held by the investment fund IFM Net Zero Infrastructure Fund, managed by IFM Investors Pty Ltd. Since 15 September 2022, SQ Renewables S.p.A. has exercised limited management and coordination pursuant to Articles 2497 et seq. of the Italian Civil Code with respect to ERG.

It should be noted that, in view of the change in the control structure, in its meeting on 15 September 2022 the Board of Directors of ERG resolved to adopt the Regulations for limited management and coordination of ERG by SQ Renewables S.p.A.

It should be noted that on 1 July 2025, the proportional partial demerger was finalised through the spin-off of the indirect parent company San Quirico S.p.A. (which adopted the new name GARMON S.p.A.), with the transfer of part of its assets to a newly incorporated beneficiary company, wholly owned by the former, which assumed the name San Quirico S.p.A. These changes have had no direct impact on the Company, either in relation to the limited management and coordination activity that SQ Renewables S.p.A. continues to carry out with respect to the Company, or in relation to the entity (namely GARMON S.p.A., formerly San Quirico S.p.A.) which ultimately continues to control ERG.

ERG, in turn, carries out management and coordination activities over the subsidiaries, in compliance with their management and operational autonomy. The scope and contents of this activity are periodically assessed by the Board of Directors, after examination by the Control, Risk and Sustainability Committee. In 2025, the Board of Directors approved an amendment to the articles of association of ERG Power Generation S.p.A., subject to the management and coordination of SQ Renewables S.p.A., to clarify the operating methods on the electricity derivative markets.

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### **Supervisory activities carried out pursuant to Article 149 of the ICFA**

The supervisory activities of the Board of Statutory Auditors were carried out in accordance with Articles 149 and 150 of the ICFA, Italian Legislative Decree No. 39/2010 and the other provisions applicable to companies issuing listed financial instruments.

The Board operated taking into account the relevant regulatory developments, including amendments to Italian Legislative Decree No. 39/2010 and the implementation of Directive (EU) 2022/2464 on sustainability reporting.

With reference to the 2025 financial year, and taking into account the guidance provided by CONSOB in communications No. DEM/1025564 of 6 April 2001, No. DEM/3021582 of 4 April 2003 and No. DEM/6031329 of 7 April 2006, the Board of Statutory Auditors reports that it has carried out the supervisory activities required under the applicable legislation.

In particular, the Board attended the Shareholders' Meeting held on 22 April 2025 and the meetings of the Board of Directors, monitoring compliance with laws, the Articles of Association and applicable regulations, as well as the principles of proper administration. It received, at least on a quarterly basis, information on the Company's performance and on the most significant transactions carried out by the Company and its subsidiaries.

It maintained ongoing relations with the Supervisory Body, including within the meetings of the Control, Risk and Sustainability Committee and of the Board of Directors, and participated in the work of the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee.

The Board monitored the adequacy of the organisational, administrative and accounting structure and the operation of the Internal Control and Risk Management System (ICRMS), also by reviewing the assessments made by the Board of Directors pursuant to Article 2381 of the Italian Civil Code and to Italian Legislative Decree No. 14/2019, analysing the reports of Internal Audit, the Compliance 231 and Privacy functions, Compliance 262, CSRD and TCF functions, Risk Management and Finance reports, as well as through monitoring litigation and exchanging information with the supervisory bodies of the subsidiaries pursuant to Article 151 of the ICFA.

The ICRMS aims at ensuring:

- the effectiveness and efficiency of operating activities;
- the reliability of financial and non-financial reporting;
- compliance with laws and regulations;
- the safeguarding of corporate assets.

The Internal Audit function operates on the basis of an annual plan defined according to a risk-based approach, approved by the Board of Directors after consulting the Control, Risk and Sustainability Committee and the Board of Statutory Auditors.

During the financial year, no significant deficiencies were identified in the internal control system that would require extraordinary corrective actions.

The Board of Statutory Auditors maintained an ongoing exchange of information with the independent auditors KPMG S.p.A. pursuant to Articles 150 of the ICFA, 14 of Italian Legislative Decree No. 39/2010 and 11 of Regulation (EU) No. 537/2014, reviewing its reports, including the additional report issued on 25 March 2025.

The Board also monitored the effectiveness of the control system of the Group companies and the adequacy of the instructions issued, supervised the implementation of corporate governance rules and the proper application of the independence criteria for Directors pursuant to the Corporate Governance Code, verified compliance with and observance of the procedure governing Related-Party Transactions, and oversaw compliance with the requirements of the Market Abuse Regulation (MAR) and the management of relevant information and inside information.

Finally, the Board gave its approval to the Report on the remuneration policy and fees paid out pursuant to Article 123-ter of the ICFA.

### **Relations with the Supervisory Authorities**

The Board of Statutory Auditors notes that, on 19 December 2025, the Company received a request for information from CONSOB pursuant to Article 115 of Italian Legislative Decree No. 58/1998, concerning certain aspects of the consolidated and separate financial statements at 31 December 2024 and the interim consolidated financial statements at 30 June 2025 (including goodwill impairment testing, recoverability assessments of assets, financial covenants, the valuation of the investment in ERG Power Generation S.p.A., and budget/actual figures analysis for the purposes of goodwill recoverability).

The Board observes that the request submitted by the Supervisory Authority was duly shared within the Company, including with senior management, and that the relevant functions promptly initiated the necessary activities to provide a response within the timeframe required by the Authority.

Within the scope of its responsibilities, the Board monitored the process for preparing the response, liaising with the relevant functions in relation to the matters raised and the replies provided, and confirms that it received, as part of its information flows, a copy of the response submitted by the Company on 20 January 2026.

### **Financial and non-financial reporting process**

The Board of Statutory Auditors, taking into account that the statutory audit of the accounts is entrusted to the Independent Auditors, performed the supervisory functions provided for under Article 19 of Italian Legislative Decree No. 39/2010, monitoring the process for the preparation of the Company's separate financial statements, the Consolidated Financial Statements and the Consolidated Sustainability Report, as well as the adequacy of the related control systems. In particular, the Board monitored the existence and adequacy of the procedures governing the preparation and disclosure of financial and non-financial information, verifying that the Internal Control and Risk Management System (ICRMS) is suitable for managing the risks associated with the reporting process. In this regard, the Board noted that the Report on Corporate Governance and Ownership Structure, approved by the Board of Directors on 11 March 2026, provides a detailed description of the internal control system relating to financial and sustainability reporting at consolidated level.

During the financial year, the Board:

- monitored compliance with the applicable legal and regulatory provisions governing the preparation, approval and publication of periodic financial reports;
- reviewed the methodological framework of the impairment test procedure, approved by the Board of Directors in advance of the execution of the test, in accordance with IAS 36 and the Joint Bank of Italy/CONSOB/ISVAP Document No. 4/2010. The results of the impairment test are presented in the Notes to the Financial Statements;



- examined, with the support of the Manager responsible for preparing the company's financial reports, the administrative and accounting procedures relating to the preparation of the Financial Statements, the Consolidated Financial Statements, the interim financial report and the CSRD Report, taking into account the testing activities carried out by the Compliance 262, CSRD and TCF functions;
- obtained evidence of the process enabling the Chief Executive Officer and the Manager responsible for preparing the company's financial reports to issue the certifications required under Article 154-bis of the ICFA, including with reference to sustainability reporting, without prejudice to their respective independence;
- received periodic updates on the monitoring of administrative and accounting processes and on the main civil, administrative and tax disputes;
- verified the consistency of the Directors' Report with the Separate Financial Statements, the Consolidated Financial Statements and the Consolidated Sustainability Report;
- noted the proper preparation and publication of the interim financial report at 30 June 2025 and of the additional periodic information disclosed on a voluntary basis;
- performed, in its capacity as the Internal Control and Audit Committee, the functions of monitoring the financial reporting process and the effectiveness of the internal control and risk management systems.

### Consolidated Sustainability Reporting (CSRD)

Following the entry into force of Italian Legislative Decree No. 125/2025, implementing Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD), the Board of Statutory Auditors has continuously monitored the manner in which the Company has adapted to the new reporting requirements.

ERG, as a Public Interest Entity and parent company of a listed group, is subject to the CSRD for the 2025 financial year and has therefore prepared the consolidated sustainability reporting included in the Directors' Report of the Consolidated Financial Statements, drawn up in accordance with the European Sustainability Reporting Standards (ESRS) and based on a double materiality assessment.

In accordance with the CSRD, the Company has applied the principle of "double materiality", assessing:

- the impacts of its business activities on the environment, society and governance (inside-out perspective);
- the risks and opportunities arising from ESG factors on its economic and financial performance (outside-in perspective).

The Board obtained information on the process for identifying material topics, verifying its methodological consistency with the EFRAG Guidelines.

It monitored the entire process for preparing the Consolidated Sustainability Report, with particular reference to:

- the roles and responsibilities assigned to corporate functions;
- the design of the data collection and validation process;
- the internal control system supporting ESG reporting;
- consistency between sustainability reporting and financial reporting.

The CSRD Compliance function has prepared a specific Risk & Control Matrix ESRS, identifying relevant processes and sub-processes for reporting purposes. The testing activities carried out did not identify any significant areas for improvement or any failed controls.

The Board verified that the reporting was consistent with the Business Plan, the Company's policies and the stated ESG objectives, ensuring alignment between strategy, risks and sustainability performance.

Consistency between climate-related information and the assumptions used for impairment testing was also verified, in line with ESMA recommendations. With reference to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"), the Company provided the required information on the proportion of economic activities aligned with the EU taxonomy.

The Independent Auditors stated that no matters had come to its attention that would indicate that the information provided was not compliant. At its meeting of 11 March 2026, the Board of Directors approved the Directors' Report, including the Consolidated Sustainability Report, following review by the Control, Risk and Sustainability Committee.

The assurance engagement on the compliance of the Consolidated Sustainability Report was entrusted to KPMG, which issued its report pursuant to Article 14-bis of Italian Legislative Decree No. 39/2010, confirming compliance with the provisions of Italian Legislative Decree No. 125/2025 and the applicable standards.

In light of the activities performed, the Board has not identified any irregularities or deficiencies in the sustainability reporting process that would require reporting to the Shareholders' Meeting.

The Board of Directors, in the sections "Significant events after the reporting date" and "Business outlook" of the integrated consolidated financial statements, has provided a detailed account of the main information, which is summarised below.

The Board of Statutory Auditors notes that, after 31 December 2025, the Company:

- announced, on 20 January 2026, in line with the guidelines of the Business Plan — which provide for a geographical repositioning of its activities — the signing and closing of two transactions in the United Kingdom and Sweden. In particular, with reference to Sweden, ERG Power Generation S.p.A. entered into an agreement with Nordic AB for the sale of the entire share capital of ERG Sweden Holding AB, the company owning the Furuby wind farm (62 MW) through its subsidiary Furukraft AB. The disposal has been classified in the consolidated financial statements as "assets held for sale" pursuant to IFRS 5;
- completed the disbursement and signing of senior unsecured green loans for a total amount of EUR 418 million, aimed at supporting the development of renewable energy plants. In particular, on 30 January 2026 the European Investment Bank disbursed EUR 243 million under the financing agreed in 2024; on the same date, a further EUR 75 million facility was entered into (maturity 2030, extendable to 2032), and on 6 February 2026 an additional EUR 100 million loan maturing in 2031 was executed. These transactions have extended the average maturity of debt and improved contractual margins, alongside the refinancing of facilities maturing between 2028 and 2029. These events are classified as non-adjusting events under IAS 10 and are substantially neutral in terms of gross financial indebtedness at 31 December 2025.

Subsequent to the reporting date, certain external events have also occurred which may be relevant for the macroeconomic and energy context, including the enactment of Italian Decree-Law No. 21/2026 (so-called Energy/Bills Decree) and the outbreak of conflict in the Middle East.



The 2026 Bills Decree introduces a series of rules aimed at reducing the cost of electricity for households and businesses. Among these, the decree provides for reimbursement mechanisms starting in 2027, to be implemented through measures to be defined by ARERA in the coming months, for certain supply components and ETS quotas, creating a competitive advantage for gas-fires thermoelectric generation and mitigating the economic signal in favour of the transition to renewable sources. However, the effectiveness of these provisions, in particular the regulation of reimbursement to thermoelectric producers of charges related to ETS emissions, is subject to the prior authorisation of the European Commission. A better estimate of the effects of this decree can therefore only be made after this authorisation and the period of parliamentary conversion into law, i.e. within 60 days of the decree's publication in the Official Journal (20 February 2026);

- the conflict in the Middle East represents an additional source of uncertainty, with potential effects on energy prices.

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The additional information required by CONSOB Communication No. DEM/1025564 of 6 April 2001, as amended, is provided below.

I. Adequate information was acquired on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries. The main initiatives undertaken during the financial year are fully described in the Financial Statements, to which reference should be made. In this context, the Board notes the commissioning of the first BESS (Battery Energy Storage System) plant in Vicari (Palermo), with a capacity of 12.5 MW, a nominal storage capacity of 50 MWh and a charge/discharge cycle of approximately four hours. It is also noted that ERG has been awarded 20-year "pay as produced" tariffs in the first auction procedure under the transitional RES X Ministerial Decree, with two complete refurbishment projects (known as "repowering") totalling 141 MW. Furthermore, ERG completed the construction and energisation of the Corlacky wind farm in Northern Ireland, consisting of 11 Vestas V117 turbines of 4.3 MW each, for a total installed capacity of 47.3 MW, and entered into a 15-year Power Purchase Agreement (PPA) with the A2A Group for the supply of approximately 2.7 TWh of wind-generated renewable energy over the period, starting from 1 January 2027.

The Company has also provided an overview of the main regulatory and institutional developments relevant to the Group that occurred during the 2025 financial year.

II. On the basis of the information provided by the Company and the data acquired in relation to the aforementioned transactions, the Board of Statutory Auditors ascertained their compliance with the law, the Articles of Association and the principles of proper administration, ensuring that they were not manifestly imprudent or risky, in potential conflict of interest, in contrast with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the company's assets.

III. During its checks, the Board did not identify any atypical and/or unusual transactions, either with third parties or with Group companies or related parties. It is acknowledged that the information provided in the Annual Financial Report regarding significant events and transactions and any atypical and/or unusual transactions, including those within the group and with related parties, is adequate and complies with regulatory provisions.

IV. The characteristics of the intragroup and related party transactions implemented by the Company and its subsidiaries during 2025, the parties involved and the related economic effects are indicated in Note 48 to the Consolidated Financial Statements and in Note 30 to the Separate Financial Statements, to which reference should be made. It should be noted that the Company has had regular commercial and financial transactions with its subsidiaries, consisting of ordinary transactions concluded at market or standard conditions, i.e., since they are below the low threshold provided for by the procedure itself. All transactions were carried out in the interest of the Company and, with the exception of the transactions with entities pursuing humanitarian, cultural and scientific initiatives, are included under ordinary operations. During the 2025 financial year, the Board of Statutory Auditors analysed the favourable opinions issued by the Nominations and Remuneration Committee regarding certain Transactions with Related Parties of "lesser significance", since the Committee had assessed the Company's interest in carrying out the transactions, as well as the fairness and convenience of the related conditions. The Board of Statutory Auditors considers the information provided on the aforementioned transactions to be adequate on the whole, and deems these transactions to be congruous and in line with the company's interest, based on the data acquired. The Board of Statutory Auditors had no reason to raise objections regarding the alignment with the company's best interest for all the transactions it reviewed during the reporting period. The Board of Statutory Auditors has carefully and consistently monitored the transactions brought to the attention of the aforesaid committees, requesting further analysis and in-depth reviews where deemed necessary.

Related Party Transactions, identified on the basis of international accounting standards and the provisions issued by CONSOB, are regulated by an internal procedure; the Board of Statutory Auditors acknowledges that no changes were made during 2025.

The Board of Statutory Auditors has reviewed the Procedure, verifying its compliance with CONSOB Regulation No. 17221 of 12 March 2010, as amended by CONSOB Resolution No. 21624/2020, which came into effect on 1 July 2021.

The Board of Statutory Auditors verified the correct application of the Procedure for the aforementioned transactions.

V. On 25 March 2026, the Independent Auditors issued the reports pursuant to Articles 14, 14-bis and 16 of Italian Legislative Decree No. 39/2010, Article 10 of EU Regulation No. 537/2014 and Article 8 of 2020 EU Regulation No. 852, in which they certified that:

- the Separate Financial Statements and the Consolidated Financial Statements of the Group at 31 December 2025 give a true and fair view of the statement of financial position, profit and loss and cash flows for the year then ended in accordance with IAS/IFRS and the measures issued in implementation of Article 9 of Italian Legislative Decree No. 38/05;
- the Directors' Report and the information pursuant to Article 123-bis of the ICFA contained in the Report on Corporate Governance and Ownership Structure are consistent with the Separate Financial Statements and the Group's Consolidated Financial Statements and have been prepared in accordance with the law;
- the opinion on the Separate Financial Statements and the Consolidated Financial Statements expressed in the aforesaid Reports is consistent with that indicated in the Additional Report prepared pursuant to Article 11 of EU Regulation No. 537/2014;
- the Financial Statements have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation (EU) No. 2019/815;



- the Group's Consolidated Financial Statements have been prepared in XHTML format and marked up, together with the notes to the financial statements, in all significant aspects, in accordance with the provisions of Delegated Regulation (EU) No. 2019/815.

In light of the above, the Board acknowledges having received from the Independent Auditors and having reviewed in dedicated meetings the results of the attestation of the compliance of the Sustainability Report and having prepared our own considerations to be sent to the Board of Directors.

The Independent Auditors also declared that they have verified, to the extent of their competence and in accordance with Articles 8 and 18, paragraph 1, of Italian Legislative Decree No. 125 of 6 September 2025, the Sustainability Report for the 2025 financial year prepared in accordance with article 4 of the same decree and included in the specific section of the Directors' Report.

The Independent Auditors also issued a limited assurance report, in which it confirmed that the sustainability reporting has been prepared, in all material respects, in accordance with the provisions of Italian Legislative Decree No. 125/2025 and the reporting standards adopted by the European Commission pursuant to Directive 2013/34/EU (European Sustainability Reporting Standards – ESRS).

In the same report, the Independent Auditors further stated that no matters had come to its attention that would lead it to believe that the information contained in the section "EU Taxonomy" of the consolidated sustainability reporting had not been prepared, in all material respects, in accordance with Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"). The aforementioned Reports issued by the Independent Auditors contain neither qualifications nor emphasis of matter paragraphs pursuant to Article 14, paragraph 2, letter d), nor any statements issued pursuant to Article 14, paragraph 2, letters e) and f), and Article 14-bis of Italian Legislative Decree No. 39/10.

On 25 March 2026, the independent auditors sent to the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, the Additional Report to illustrate the results of the statutory audit, the elements inherent in the process of planning and conducting the audit and the related methodological choices and compliance with ethical principles, pursuant to Article 11 of EU Regulation No. 537/2014: as reported in the opinion on the Financial Statements, this report does not contradict the same opinions, but reports on specific matters. It is worth mentioning here that, in addition to the so-called significant matters reported as "key audit matters", in the reports on separate and consolidated financial statements, no significant deficiencies in the internal control system in relation to the financial reporting process emerged that were worthy of being brought to the attention of those responsible for "governance".

On 25 March 2026, the Independent Auditors issued the annual confirmation of its independence pursuant to Article 6, paragraph 2, letter a) of EU Regulation No. 537/2014 and pursuant to paragraph 17 of the international auditing standard ISA Italia 260, which was sent on the same date to the Board of Statutory Auditors.

The Board of Statutory Auditors, also during the meetings with the Independent Auditors, did not receive any information from the latter on facts deemed objectionable and relevant to the performance of the statutory audit on the separate and consolidated financial statements.

During the financial year, on the basis of what was reported by the Independent Auditors, the Company and some of its subsidiaries appointed the Independent Auditors for services other than the statutory audit of the accounts.

Details of the fees attributable to the 2025 financial year related to the engagements performed by the Independent Auditors KPMG, the principal auditor of the ERG Group, as well as by companies belonging to its network in favour of the Company and its subsidiaries, are disclosed in the Company's Consolidated Financial Statements, as required by Article 149-duodecies of the Issuers' Regulation, in Note 53 to the Consolidated Financial Statements and in Note 34 to the Separate Financial Statements.

Audit services mainly concerned the statutory audit of the separate financial statements and the consolidated financial statements, as well as the limited review of the condensed interim consolidated financial statements.

Non-audit services were also provided, including compliance checks on separate accounting data ("unbundling"), verification procedures on quarterly data of subsidiaries, reviews of tax returns, assurance engagements relating to consolidated sustainability reporting, the Green Bond Report and bank covenants.

Overall, fees for statutory audit services amounted to EUR 1,478 thousand, while fees for non-audit services amounted to EUR 282 thousand, for a total of EUR 1,760 thousand.

During 2025, no engagements for non-audit services were awarded to companies within the KPMG network.

Engagements awarded to network companies, as in previous financial years, related to the statutory audit of reporting packages of certain foreign subsidiaries.

In addition, EUR 151 thousand was paid for statutory audit services provided by auditors outside the network of the parent company's auditor, namely PWC USA for the US companies.

For the purposes of the independence of the Independent Auditors, a cap is envisaged for the provision of permitted non-audit services, i.e. services other than those prohibited by Article 5 of EU Regulation No. 537/2014, equal to 70% of the average fee paid in the last three consecutive financial years for the statutory audit.

The Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, monitored the non-audit services during the financial year and notes that the threshold was not exceeded, standing at approximately 11%. For the purposes of calculating the cap, no account was taken of the activities which, although subject to prior approval, must be carried out by law and mandatorily assigned to an auditor.

The Independent Auditors only perform the tax activities related to the statutory audit assignment and therefore related to the signing of forms, VAT declaration and visa for use of credits in compensation, but do not perform any tax advisory activities as required by Article 5 of Regulation No. 537/2014.

The Board of Statutory Auditors, in its role as Internal Control and Audit Committee, has fulfilled the duties required by Article 19, paragraph 1, letter e) of Italian Legislative Decree No. 39/2010 (as amended by Italian Legislative Decree No. 135/2016 and Italian Legislative Decree No. 125/2025) and Article 5, paragraph 4 of EU Regulation No. 537/2014 concerning the prior approval of the aforesaid appointments, verifying their compatibility with the regulations in force and, specifically, with the provisions of Article 17 of Italian Legislative Decree No. 39/2010 and subsequent amendments, as well as with the prohibitions set forth in Article 5 of the Regulation referred to therein.

The Board of Statutory Auditors therefore examined the proposals and, where appropriate, its favourable opinion regarding the aforementioned appointments – having received prior confirmation from the relevant departments of the Company regarding the verification of the appropriateness of the proposed timeframes for the performance of the activities and the compliance of the fees – and having assessed the appropriateness and consistency of these favourably, also taking into account the greater effectiveness and efficiency of the work carried out for this purpose by



the same entity appointed to conduct the audit.

The Board of Statutory Auditors notes that the assessment process, when the Company and its subsidiaries entrust certain types of services to the independent auditors and their network, is regulated by a "Procedure for the assignment of audit engagements in ERG Group companies and the monitoring of additional services", which is aimed at ensuring that the independence requirement of the Independent Auditors is met and at regulating the aforementioned assessment process.

With reference to the topic of independence, the Board of Statutory Auditors has:

- verified and monitored the independence of the independent auditors, pursuant to Articles 10, 10-bis, 10-ter, 10-quater and 17 of Italian Legislative Decree No. 39/2010 and Article 6 of EU Regulation No. 537/2014, ascertaining that the independence of the independent auditors was in compliance with the relevant regulatory provisions and that the engagements for non-audit services conferred to the independent auditors did not appear to be such as to give rise to potential threats to the auditor's independence and to the safeguards set forth in Article 22-ter of Directive No. 2006/43/EC;
- examined the transparency report and the additional report prepared by the independent auditors in compliance with the criteria set forth in EU Regulation No. 537/2014, noting that, on the basis of the information acquired, no critical aspects emerged in relation to the independent auditors' independence;
- received confirmation in writing, pursuant to Article 6, paragraph 2, letter a) of EU Regulation No. 537/2014, that the Independent Auditors, during the period from 1 January 2025 to the time of issue of the declaration, did not encounter any situations that may compromise its independence within the meaning of Articles 10 and 17 of Italian Legislative Decree No. 39/2010, as well as 4 and 5 of EU Regulation No. 537/2014 and the IESBA Code of Ethics;
- discussed with the Independent Auditors the risks to its independence and any measures taken to mitigate them, pursuant to Article 6, paragraph 2, letter b) of EU Regulation No. 537/2014.

VI. The Board of Statutory Auditors monitored transactions involving the purchase and disposal of treasury shares, verifying their compliance with legal provisions and shareholders' resolutions, as well as the adequacy of the related disclosures in the Directors' Report.

VII. From the date of the previous report (25 March 2025) up to the date of this Report (25 March 2026), no complaints have been received pursuant to Article 2408 of the Italian Civil Code.

VIII. From the date of the previous report (25 March 2025) up to the date of this Report (25 March 2026), no notices have been received.

IX. During the 2025 financial year, the Board of Statutory Auditors expressed its opinion in all those cases in which it was requested to do so by the Board of Directors, also in compliance with the regulatory provisions requiring prior consultation with the Board of Statutory Auditors.

X. As part of its supervisory duties, the Board of Statutory Auditors reviewed during the financial year the proposals concerning the remuneration policy and its implementation, as previously assessed by the Nominations and Remuneration Committee. In particular, it took note of the determinations relating to the remuneration of Executive Directors, verifying the level of achievement of the targets linked to the variable component of remuneration, including those related to sustainability parameters.

The Board also monitored the structure of the Long-Term Incentive (LTI) plan 2024–2026 and the short-term incentive system (MBO), with reference to the definition of the related objectives, targets and access conditions. It also reviewed the appropriateness of the remuneration awarded, including in light of benchmarking analyses against market practices. The remuneration system, implemented on the proposal of the Nominations and Remuneration Committee, provides for the allocation of remuneration consisting of a fixed component and a short-term variable component linked to the economic and sustainability-related results achieved at Group level and correlated to pre-established specific objectives (including individual objectives), together with participation in the Company's medium- and long-term incentive plans based on financial instruments (performance shares), in favour of certain managers in key positions, including Key Managers, as illustrated in the Report on the remuneration policy and fees paid, which will be published in accordance with Article 123-ter of the ICFA on the Company's website. The Committee also verified that the ERG Group's remuneration infrastructure was aligned with the strategic plan and with the sustainability, innovation and motivation objectives of the corporate scope.

In accordance with the provisions of the Related Parties Regulation, as implemented in ERG's Procedure for Related Party Transactions, the approval of the Remuneration Policy by the Shareholders' Meeting, defined on the proposal of the Nominations and Remuneration Committee, exempts the Company from applying the aforesaid procedure in the resolutions of the Board of Directors concerning the remuneration of Directors and Other Key Managers provided that the relevant remuneration is in line with the aforementioned Policy and quantified on the basis of criteria that do not involve discretionary assessments.

XI. The Board of Statutory Auditors has overseen compliance with the law and the Articles of Association, as well as endorsement of the principles of proper administration, through participation in meetings of the Board of Directors and internal committees, meetings with the Manager responsible for preparing the company's financial reports, with the Head of Group Administration, the Chief Audit Officer, the Head of Corporate Affairs, 231 Compliance & Privacy, management hearings, and the acquisition of information. The Board ensured that the operations approved and carried out by the directors were in line with the aforementioned rules and principles, as well as being based on principles of economic rationality and not manifestly imprudent or risky, free from conflicts of interest with the Company, in accordance with resolutions passed by the Shareholders' Meeting, and not such as to compromise the integrity of the company's assets. The Board believes that the governance tools and institutions adopted by the Company represent a valid safeguard for compliance with the principles of proper administration.

XII. Oversight of the adequacy of the Company's and the Group's organisational structure was carried out through the acquisition of information on the administrative and operational structure, as well as through the exchange of data and information with the heads of the various corporate functions, the Internal Audit function and the Independent Auditors.

The organisational structure of the Company and the Group is defined and implemented by the Chief Executive Officer also through a system of delegated powers and authorities, with the identification of managers responsible for the various functions and business units and the assignment of powers consistent with their respective responsibilities.

XIII. With reference to the supervision of the adequacy and effectiveness of the internal control system, also pursuant to the current Article 19 of Italian Legislative



Decree No. 39/2010, the Board held periodic meetings with the head of the Internal Audit function and other corporate functions and the related meetings with the Control, Risk and Sustainability Committee and with the Supervisory Board, pursuant to the organisational model provided for by Italian Legislative Decree No. 231/2001 adopted by the Company (the "231 Model").

The Board found that the Company's internal control and risk management system is based on a structured and organic set of rules, procedures and organisational structures aimed at preventing or limiting the consequences of unexpected results and enabling the achievement of strategic and operational objectives (i.e. consistency of activities with objectives, effectiveness and efficiency of activities and safeguarding of corporate assets), compliance with applicable laws and regulations (compliance) and correct and transparent internal and market information (reporting).

Considering the audit activities conducted by the Audit function, we have taken note of the results of the activities of Risk Assessment, which confirmed the adequacy of the internal control system designed to manage risks.

We have, in due course, examined in detail the results of the audits conducted during the financial year and the follow-ups to audits from previous financial years, as well as the progress of the remedial actions.

We have noted and agreed that the internal control and system for the Group's risks as a whole is adequate.

In relation to the 2025 financial year, in accordance with the provisions of Article 6, Recommendation 33, letter a), of the Corporate Governance Code, the Board of Directors carried out an overall assessment of the adequacy of the internal control and risk management system, including the coordination procedures between the various parties involved in the system, based on the information and evidence gathered, with the support of the investigative activity of the Control, Risk and Sustainability Committee, and considered that the system as a whole is suitable to allow, with reasonable certainty, an adequate management of the main risks identified.

The Company, also at Group level, operates a comprehensive system of tools supporting operational and compliance objectives. In particular, structured planning, management control and reporting systems are in place, as well as a corporate risk management system based on the principles of Enterprise Risk Management (ERM). During the 2025 financial year, the Group continued to identify, assess and monitor the main risks as part of the Enterprise Risk Management (ERM) system. This process includes the definition of the relevant risk management policies, continuous verification of the effectiveness of the risk control system and periodic sharing of risk assessment results with management. The ERM model is subject to periodic updates, in line with developments in the Group's operating environment and activities.

The risk management system is designed to contribute to safeguarding the Company's assets and to support strategic decision-making, taking into account current and prospective risks, including in the medium to long term.

In the current macroeconomic environment, the Group continues to monitor the effects of the conflict in Ukraine and other relevant geopolitical developments. At the date of this Report, there are no direct credit exposures to Russian or Ukrainian counterparties, nor any significant operational issues, notwithstanding the presence of certain assets located in Eastern Europe.

In light of its operations, the Group adopts a risk classification structured into four main categories: strategic, financial, operational and compliance risks.

These controls are complemented by the accounting control model pursuant to Italian Law No. 262/2005, aimed at ensuring an adequate level of effectiveness in preventing the main risks associated with financial and non-financial reporting, in line with the Internal Control over Financial Reporting Operating Manual and the criteria established by the COSO – Internal Control Integrated Framework, as updated also in light of the most recent guidance on sustainability reporting controls.

The Company has also adopted an organisational, management and control model pursuant to Italian Legislative Decree No. 231/2001, as well as an Anti-Corruption Policy and a Group Code of Ethics, aimed at preventing offences relevant for the purposes of administrative liability of entities. The Supervisory Body carried out oversight activities on the functioning of and compliance with the "231 Model", verifying its adequacy in relation to the applicable regulatory framework, monitoring regulatory developments, the implementation of staff training initiatives and compliance with protocols by the relevant parties, also with the support of the Internal Audit function.

During 2025, the Company also continued its employee training programme on personal data protection and GDPR, with particular focus on the general principles of EU regulation, data subject rights, data transfers, breach management and individual employee accountability.

With regard to market abuse and internal dealing, the Company has adopted specific procedures and regulations, updated in line with CONSOB requirements, aimed at governing the obligation to refrain from transactions in financial instruments issued by the Company during blackout periods provided for by law and ensuring the proper management of sensitive information. The Procedure for the internal management of relevant and inside information and for the disclosure of inside information to the market is also in force, updated by the Board of Directors to incorporate CONSOB recommendations and to introduce the Relevant Information List, aimed at identifying and monitoring information that may qualify as inside information.

The Board of Statutory Auditors monitored compliance with disclosure obligations relating to regulated, relevant and inside information, as well as compliance with the requirements of the legislation on market abuse and savings protection, with particular regard to procedures for the management and dissemination of information to the market. The Board also monitored compliance with the policies, guidelines and procedures in force in the Group and the company processes, the outcome of which is submitted to the attention of the Board of Directors.

In light of the supervisory activities carried out, the Board considers that the internal control and risk management system is overall adequate and capable of ensuring the safeguarding of the Company's assets, the efficiency of business processes, the reliability of financial reporting and sustainability reporting, as well as compliance with laws, the Articles of Association and internal procedures. The Board has also verified that the planning process is supported by appropriate information systems and procedures that allow for the reliable reconciliation of the main financial and non-financial information with the outputs of the information systems of the subsidiaries.

XIV. The Board also supervised the adequacy and reliability of the administrative and accounting system in correctly representing management events, obtaining information from the heads of the respective functions, examining company documents and analysing the results of the work performed by the independent auditors. The Manager responsible for preparing the company's financial reports has been jointly assigned the functions established by law and provided with adequate powers and means to perform the related tasks. Furthermore, the Chief Executive Officer, through the Manager responsible for preparing the company's financial reports, is tasked with implementing the "Accounting Control Model pursuant to Italian Law No. 262/2005" aimed at defining the guidelines that must be applied within the ERG Group with reference to the obligations arising from Article 154-bis of the ICFA regarding the preparation of company accounting documents. This also includes the implementation of guidelines for sustainability reporting included in the directors' report, in compliance with ESRS standards and related certification obligations. The preparation of accounting and financial reporting, both statutory and consolidated, is governed by the Group accounting principles manual and other administrative-accounting procedures that are part of the Model pursuant to Italian Law No. 262/2005.



The Board of Statutory Auditors has taken note of the findings of the audit work carried out by the Audit Department in relation to the controls over processes relevant to the scope of administrative and financial governance, namely the absence of any material issue.

The procedures concerning the impairment process in compliance with IAS 36 are also formalised within the framework of the Model pursuant to Italian Law No. 262/2005.

ERG's Board of Directors approved the setting up of the impairment test procedure in compliance with the requirements of IAS 36, autonomously and in advance of the approval of the financial reports.

The Board of Statutory Auditors reviewed the impairment testing process carried out by the Company on goodwill and intangible assets for the purposes of preparing the financial statements, verifying its compliance with International Accounting Standard IAS 36, also in light of the recommendations issued by the European Securities and Markets Authority (ESMA) and the guidance contained in the joint document of the Bank of Italy, CONSOB and ISVAP No. 4 of 3 March 2010, as well as subsequent CONSOB communications.

The Board noted that the relevant procedure was approved by the Board of Directors on 25 February 2026, following a favourable opinion from the Control, Risk and Sustainability Committee.

For the purposes of assessing the recoverability of assets, the Group identified its operating segments based on geographical areas of operation and energy generation technologies (wind and solar), identifying twelve groups of Cash Generating Units (CGUs) consistent with the Group's organisational and business structure.

The recoverable amount of the CGUs to which goodwill is allocated was determined primarily using the discounted cash flow method and, where deemed more appropriate, using cash flow to equity or Fair Market Value. The estimates were developed on the basis of updated key economic parameters and business assumptions relating to the "asset-based" perimeter over the 2026-2029 time horizon, reviewed by the Board of Directors on 11 March 2026, as well as forward-looking macroeconomic and energy scenarios for subsequent financial years.

The assessments took into account the main sources of uncertainty related to the geopolitical, energy and regulatory environment, including developments in the energy scenario over the medium to long term, trends in discount rates, climate risks and potential regulatory developments. In line with the ESMA Public Statement of 14 October 2025 referred to above, consideration was also given to the main underlying macroeconomic variables and the need to ensure clear and consistent financial reporting, including with regard to the impact of current economic and geopolitical uncertainties on financial statement valuations and the disclosure of operating segments under IFRS 8.

The Board noted that the assumptions used reflect, in accordance with IAS 36, management's best estimates at the reporting date, based on reasonable and substantiated information. The recoverable amount of the CGUs was determined on the basis of business plans and long-term forecast cash flows consistent with the useful life of the underlying assets, in some cases exceeding twenty years.

The Board also noted that, subsequent to the reporting date, events occurred that may potentially affect the macroeconomic environment and the energy sector, including the enactment of Decree-Law No. 21 of 20 February 2026 (the so-called Energy/Bills Decree) and the outbreak of conflict in the Middle East. Given the level of uncertainty associated with these events and their potentially offsetting effects, it was not considered possible, as at the date of preparation of the financial statements, to reliably determine any structural impact on the cash flows used in the valuations.

Sensitivity analyses were also performed with respect to variables characterised by greater uncertainty, including expected energy prices and the financial parameters used to determine discount rates, which are defined on a specific basis for each group of CGUs, updated at least semi-annually and including a country risk component.

The analyses performed showed, for the majority of the CGUs examined, a positive difference (headroom) between recoverable amount and carrying amount. With reference to the Spanish solar CGU, management considered that the high volatility of energy prices and the uncertainty of market scenarios made it appropriate to determine the recoverable amount using a Fair Market Value approach, consistent with the methodology adopted in the previous financial year and supported by a valuation performed by an independent expert, classified as Level 3 within the fair value hierarchy.

The updated analyses showed a reduction in the recoverable amount of solar assets in Spain, mainly attributable to the persistence of unfavourable market conditions and the revision of production levels at certain plants, resulting in the recognition of a total impairment of EUR 46 million, through the full write-down of the goodwill allocated to the CGU and a partial write-down of intangible assets with a finite useful life and of rights of use.

For solar assets in France, for which value in use was lower than the carrying amount at the reporting date, the recoverable amount was also determined using a Fair Market Value approach, which, however, exceeded the carrying amount.

With regard to the impairment test, the Board of Statutory Auditors supervised the preparatory work carried out, including by the Company's Control, Risk and Sustainability Committee, on the methodological framework to be applied for the impairment test at 31 December 2025, and analysed and discussed with Group management the estimates made on the basis of the available information and the assumptions referred to above, taking into account the supporting documentation and verifying consistency with the approaches previously adopted by the Company.

The Board of Statutory Auditors also supervised more generally the financial reporting process, including by obtaining information from the Company's management, and received from the Directors, on at least a quarterly basis, adequate information on the activities carried out and on the most significant economic, financial and equity transactions undertaken by the Company and its subsidiaries pursuant to Article 150, paragraph 1, of the ICFA.

The Board of Statutory Auditors considers the Company's administrative and accounting system to be adequate overall and reliable in correctly representing management events.

XV. The Board of Statutory Auditors monitored the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of the ICFA, ascertaining, on the basis of the information provided by the Company, their suitability to provide the information necessary to fulfil the disclosure obligations required by law, without exceptions.

XVI. With regard to the verification of the procedures for the practical implementation of the corporate governance rules set forth in the current edition of the Corporate Governance Code, the Board performed this verification activity with the assistance of the Company's Legal and Corporate Affairs Department.

At its meeting held on 11 March 2026, which approved the Report on Corporate Governance and Ownership Structure, the Board of Directors verified that the Company was generally in line with the recommendations issued by the Corporate Governance Committee in its letter of 18 December 2025. The aforementioned recommendations immediately brought to the attention of the Chairman of the Company's Board of Statutory Auditors by the Chairman of the Board of Directors were shared at the Board meeting held on 25 February 2026.

The Report on Corporate Governance and Ownership Structure reports that ERG's governance structure is aligned with the provisions of the Corporate



Governance Code applicable to the Company, except for the sole case of non-application with reference to the assignment of the role of Director in charge of the Internal Control and Risk Management System to the Executive Deputy Chairman, as explained in detail in the Report itself.

In turn, the Board of Statutory Auditors examined the letter dated 18 December 2025 from the Chairman of the Corporate Governance Committee, as well as the assessments made and the decisions taken by the Company with respect to the recommendations contained therein, without making any particular observations in this regard. The Board of Directors, in the interest of the Company and its Shareholders, has promoted dialogue with Investors and, in accordance with the provisions of the Corporate Governance Code, has approved the "Policy for managing dialogue with institutional investors and with shareholders in general", as most recently updated on 23 February 2024 in order to extend its application to all Company stakeholders; following this update, the name was changed to the "Policy for the *Management of Dialogue with Stakeholders*" (hereinafter, the "*Engagement Policy*").

The Engagement Policy was drawn up with the aim of ensuring that dialogue with Stakeholders takes place in compliance with current legislation, including that concerning the handling of inside information, and good corporate practice, and is marked by principles of fairness, transparency, timeliness and symmetry of information.

The Chairman of the Board of Directors, assisted by the Chief Executive Officer, ensures that the Board of Directors is promptly informed on the development and significant contents of the dialogue with Stakeholders, based on the provisions of the Engagement Policy.

As highlighted, following the endorsement of the updated *Corporate Governance Code*, on 13 May 2021 the Board of Directors adopted the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee, most recently updated on 15 May 2024.

Please refer to the Report on Corporate Governance and Ownership Structure for further information on the corporate governance of the Company regarding which the Board has no findings to make.

XVII. The Board of Statutory Auditors examined the Report on the remuneration policy and fees paid approved by the Board of Directors on 11 March 2026 at the proposal of the Nominations and Remuneration Committee and verified its compliance with legal and regulatory requirements, and the clarity and completeness of information with regard to the remuneration policy adopted by the Company.

XVIII. The Board of Statutory Auditors also examined the proposals that the Board of Directors resolved to submit to the Shareholders' Meeting on 11 March 2026, and declares that it has no observations to make in this regard, including the proposal to distribute a dividend.

XIX. Lastly, the Board of Statutory Auditors carried out its own checks on compliance with the legal provisions concerning the preparation of the draft Separate and Consolidated Financial Statements at 31 December 2025, the respective explanatory notes and the accompanying Directors' Report, directly and with the assistance of the department heads and through the information obtained from the Independent Auditors. In particular, the Board of Statutory Auditors, based on the controls exercised and the information provided by the Company, within the limits of its competence pursuant to Article 149 of the ICFA, acknowledges that the Separate Financial Statements and the Consolidated Financial Statements of ERG at 31 December 2025 have been prepared in accordance with the legal provisions governing their formation and layout and with the International Financial Reporting Standards, issued by the International Accounting Standards Board, based on the text published in the Official Journal of the European Communities.

The Separate Financial Statements and the Consolidated Financial Statements are accompanied by the prescribed certifications, signed by the Chief Executive Officer and the Manager responsible for preparing the Company's financial reports.

The Board of Statutory Auditors is also required to oversee compliance with the requirements for the publication of the Sustainability Report, ensuring that the consolidated sustainability reporting included in the Directors' Report, as well as the report certifying compliance pursuant to Article 14-bis of Italian Legislative Decree No. 39 of 27 January 2010, are published in the manner and within the deadlines set out in Articles 2429 and 2435 of the Italian Civil Code and on the Company's website.

On the basis of the foregoing, in summary of the supervisory activity carried out in the 2025 financial year, and also taking into account the results of the activity carried out by the independent auditing firm, contained in the specific report accompanying the financial statements, the Board of Statutory Auditors did not find any specific critical aspects, omissions, reprehensible facts or irregularities and has no observations or recommendations to make to the Shareholders' Meeting pursuant to Article 153 of the ICFA, to the extent of its competence, on the resolution proposals formulated by the Board of Directors to the Shareholders' Meeting.

Genoa, 25 March 2026

### **The Board of Statutory Auditors**

Monica Mannino                      Chairwoman

Giulia De Martino                      Standing Statutory Auditor

Dott. Fabrizio Cavalli                      Standing Statutory Auditor



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company subject to limited management

and coordination by SQ Renewables S.p.A.

ERG S.p.A. - March 2026

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