ERG S.p.A

2024 CDP Corporate Questionnaire 2024

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

02/07/2025, 10:35 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ EUR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

ERG is a leading independent player in the production of electricity from renewable sources, entirely focused on the production of wind and solar power. ERG has radically changed its business portfolio in just over a decade, anticipating long-term energy scenarios and completing a successful corporate transformation from an oil operator to a pure Wind & Solar business model. Through an asset rotation program that began in 2021 with the sale of the hydroelectric asset, ERG completed its path with the sale of the thermoelectric asset CCGT of Priolo Gargallo in 2023. The latest cornerstone achieved by ERG in its decarbonization path stems from the entry into the US market through the signature of an important agreement with Apex Clean Energy Holdings LLC (Apex), a leading independent American green energy developer, creating a strategic partnership in the renewable sector. Following its transformation into a pure Wind & Solar player, since the end of 2020 ERG has managed to add 1.2GW of new installed capacity in wind and solar, in different geographies in just three years. At the end of 2023 the installed capacity was equal to 3,266 MW and more than 400MW have been further added in the first months of 2024, reaching the current installed capacity of 3,674 MW. On 16th May 2024, ERG released the Business Plan for the years 2024-2026, continuing to be focused on a strategy leveraging on geographically and technologically diversified renewables with securitized revenue streams The ESG plan integrated in the 2024-2026 Business Plan sets out 18 well-defined objectives that are measurable through constantly monitored KPIs, with a view to contributing to the creation of value over time for all our stakeholders, in addition to reaching 14 of the 17 SDGs of the United Nations. ERG's ESG strategy is based on four 'pillars', which areclosely integrated in our business model: 1. Planet: fight against climate change; 2. Engagement: commitment to local areas; 3. People: attention to the growth and well-being of people; 4. Governance: management bodies and principles inspired by

best practices Focusing con the environmental area ERG confirms the goal of becoming Net Zero by 204: on 7 July 2023, the Science Based Target initiative (SBTi) approved the ERG Group's greenhouse gas (GHG) emission reduction targets, in line with the threshold necessary to keep the global temperature increase within 1.5C. ERG is committed to achieving Net Zero by 2040 through a number of specific actions both in the short term to 2027 (near-term target) and in the long term (long-term target). For details, see the Press Release of 7.07.20232 In addition ERG reaffirms its commitment to the circular economy with the objective of recovering or reusing materials from the dismantling of all its wind and solar plants, minimizing waste sent to landfill. ERG further strengthened its commitment to Natural Capital with a target of No net loss on biodiversity by 2030 through strategies of minimizing nature losses and compensating where possible (mitigation hierarchy approach). [Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/30/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

741000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from:

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

IT0001157020

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

ERG:IM

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

8156004604684CA44A90

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Italy
☑ Spain
☑ France
☑ Poland
☑ Sweden
☑ Germany
☑ Romania
☑ Bulgaria
☑ United Kingdom of Great Britain and Northern Ireland

(1.16) In which part of the electric utilities value chain does your organization operate?

Electric utilities value chain
☑ Electricity generation

(1.16.1) For your electricity generation activities, provide details of your nameplate capacity and electricity generation specifics for each technology employed.

Coal - Hard

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No coal plants

Lignite

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No lignite plants

Oil

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No oil plants

Gas

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No gas plant. The gas plant has been sold and is not included in the reporting perimeter

Sustainable biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No biomass plants

Other biomass

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No biomass plants

Waste (non-biomass)

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No waste plants

Nuclear

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No nuclear plants

Fossil-fuel plants fitted with carbon capture and storage

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No fossil – fuel plant fitted with CS

Geothermal

(1.16.1.1) Own or control operations which use this power generation source

Select from:
☑ No

(1.16.1.5) Comment

No Geothermal plants

Hydropower

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

The hydroelectric plant was sold on 3 January 2022 and consequently is excluded from ERG business

Wind

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

2747

(1.16.1.3) Gross electricity generation (GWh)

5574

(1.16.1.4) Net electricity generation (GWh)

5574

(1.16.1.5) Comment

Data referred to all the Group's wind farms.

Solar

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

519

(1.16.1.3) Gross electricity generation (GWh)

565

(1.16.1.4) Net electricity generation (GWh)

565

(1.16.1.5) Comment

Data referred to all the Group's solar farms.

Marine

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

No Marine plants

Other renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

No other renewable plants

Other non-renewable

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ No

(1.16.1.5) Comment

No other non-renewable plants

Total

(1.16.1.1) Own or control operations which use this power generation source

Select from:

☑ Yes

(1.16.1.2) Nameplate capacity (MW)

3266

(1.16.1.3) Gross electricity generation (GWh)

6139

(1.16.1.4) Net electricity generation (GWh)

6139

(1.16.1.5) Comment

The value covers the Group’s Solar and Wind plants. In just over a decade, ERG's business portfolio has been radically changed, anticipating long-term energy scenarios and completing a successful corporate transformation from an oil operator towards a pure Wind & Solar business model.
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 2 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 3 suppliers

(1.24.7) Description of mapping process and coverage

The Type of Information collected: The information collected pertains to the various entities involved in the supply chain of wind and solar farm. Additionally, the data includes details about the subcontracting processes, the standards and regulations that subcontractors must adhere to, and the comprehensive selection process

managed by the Procurement department. The collected information covers the compliance requirements that suppliers must meet, including adherence to the ERG Group's Code of Ethics, Supplier Code of Conduct, Model 231, and Anti-Corruption Regulations. The performance ratings of suppliers include technical performance evaluations, economic and compliance indicators, and ESG ratings.Criteria for such actions include unethical behavior, serious environmental or safety incidents, non-compliance found in audits, and failure to maintain required legal documentation. The tools and methods: • Procurement Process: The Procurement department oversees the supplier selection process, ensuring adherence to ERG Group's values and behavior rules. Suppliers must sign various compliance documents before any engagement. • Reputation Assessment: All suppliers undergo a global reputation assessment from qualification through the entire contract period. This involves continuous monitoring and adherence checks. • Vendor Rating Dashboard: a dashboard collects and consolidates technical performance evaluations, economic and compliance indicators, and ESG ratings. This tool provides an updated overview of suppliers' risk profiles. • Corrective Actions and Black List: Suppliers with poor performance or negative information are subjected to corrective measures, suspension, or inclusion in a Black List. This involves criteria such as unethical behavior, significant environmental or safety incidents, and serious non-compliance. • Sustainable Procurement Project: This project includes the ESG evaluation of the supply chain, involving interviews and evidence collection from strategic partners to assess corporate management and various social and environmental factors. The Coverage: The mapping of the supply chain is extensive and includes a broad range of entities and factors. It is designed to ensure full coverage of the primary producers, contractors, service providers, and subcontractors involved in wind and solar park projects.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ No, but we plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☑ Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

To date, the group has mapped its value chain by focusing on more priority and impactful aspects in terms of business. Mapping plastic along the value chain is not a priority in the company's strategy, as plastic does not constitute a significant material. However, it is planned to undertake this mapping within the next two years, in line with sustainability goals.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

4

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Short-term horizons are used to define the current year and the immediate future (up to 4 years), allowing for the performance of sensitivity analyses based on the ERG Strategic Plan presented to investors. This approach supports strategic and financial planning by providing a focused view of near-term performance and enabling the assessment of potential impacts on the strategic plan within a reasonable timeframe.

Medium-term

(2.1.1) From (years)

5

(2.1.3) To (years)

9

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Medium-term horizons encompass the scenarios that could unfold in the 4 years following the strategic Plan Period, providing an opportunity to evaluate the impacts of the energy transition. This temporal framework supports strategic and financial planning by allowing for the anticipation of medium-term developments and facilitating the assessment of how the energy transition may affect the company's strategic objectives and financial performance over this extended period.

Long-term

(2.1.1) From (years)

10

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

30

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The Long-term time horizon has been determined based on the timeframe during which the physical risks could exert an impact. This temporal perspective supports strategic and financial planning by providing a framework for evaluating the potential long-term implications of physical risks on the company's operations, financial stability, and strategic direction, thereby enabling proactive risk management and resilience-building measures.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ End of life management

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ COSO Enterprise Risk Management Framework

☑ Enterprise Risk Management

☑ Risk models

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections

Other

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Tornado

☑ Wildfires

☑ Heat waves

☑ Cold wave/frost

☑ Cyclones, hurricanes, typhoons

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Changing temperature (air, freshwater, marine water)

☑ Changing wind patterns

☑ Sea level rise

☑ Temperature variability

Policy

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

☑ Other reputation, please specify **:**Change in reputation

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Exposure to litigation

☑ Non-compliance with regulations

☑ Other liability, please specify :Geographic diversification to counteract the effect on climate change

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Investors

☑ Local communities

☑ Regulators

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Describe your process for identifying, assessing, and managing dependencies and IRO ERG has structured a path to analyze the dependencies, impacts risks and opportunities that climate change can have on our business, developed following the guidelines of the TCFD (Task Force on Climate-related Financial Disclosures). Variables that can impact ERG's business have been identified and classified into Physical (acute and chronic) and Transitional (Regulatory, Market, Reputational, Technology) events. This analysis also aims to identify all opportunities generated by climate change that can benefit the Group in developing its business. The assessment activity is carried out on a six-monthly basis, involving 100% of the Group companies, both in Italy and abroad. Risks and opportunities are evaluated and assessed according to Scenario analysis. The scenarios were chosen from among the most widely accredited in literature, more specifically those developed by the Intergovernmental Panel on Climate Change (IPCC). ERG's ERM process, with its focus on risk and opportunity analysis, is an integral part of the company strategy. This approach allows the Group to manage risks holistically and seize the opportunities offered by a constantly evolving context. Accurately evaluating operations and identifying dependencies, impacts, risks and opportunities allows us to develop more robust and responsible strategies, ensuring that every link in our value chain

contributes positively to the achievement of ERG's objectives. The stages of the ERM process include: the identification and evaluation of the main events that could affect the achievement of company objectives; the definition of the most appropriate risk treatment strategies, the periodic monitoring of the level of exposure to risk and the state of implementation of treatment actions and the reporting. In addition to risks, the assessment of our operating locations allows us to analyze the impacts of our activities. This process of integration with the company's risks involves all the structures of the ERG Group, ensuring that the identification of risks and opportunities is aligned with the company's strategic objectives. This integrated approach allows management to make informed decisions and mitigate risks effectively. Finally, evaluating our operating locations helps us identify opportunities for growth and improvement. Describe the process to determine which IRO could have a substantive financial or strategic effect on the organization: In 2023, with the implementation of the CSRD, which adopts the Double Materiality approach, ERG conducted an analysis focused on the current and potential impacts affecting the company. Material issues are those that generate risks or opportunities for the company, influencing cash flows in the short, medium or long term, with implications for development, performance and positioning in these periods. ERG updated its Impact Materiality in 2023, identifying the impacts on the economy, the environment and people, including human rights. The analysis evaluated main negative risks that hinder the achievement of the objectives of the Business Plan and positive events as opportunities that allow the achievement of strategic objectives. The main current and prospective risks, both negative and positive, were assessed in terms of severity on a high, medium, and low scale. The assessment covered inherent risks and residual risks, with mitigation strategies identified.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:
☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Provide a brief description of the framework or methodology used to integrate your assessment: ERG has developed a structured and integrated process to identify, assess, and manage environmental dependencies, impacts, risks, and opportunities. This process is aligned with international standards such as the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD). Our methodology involves mapping critical natural resources essential for our operations, evaluating how their availability influences our business, and analyzing climatic conditions that could impact our business. Describe how this process is incorporated into the assessment process: To counter the risks arising from Climate Change and seize any opportunities, ERG is therefore implementing a climate strategy (intended as the reduction of industrial impacts) integrated into the business strategy. We take proactive steps to minimize our environmental impact. Our sustainability strategy includes identifying key climate and environmental risk drivers and integrating prospective opportunities into our strategic and financial planning, in line with our business model. This integration ensures that our environmental initiatives are aligned with our overall business objectives. Describe the process of identifying possible alignments, synergies, contributions and possible trade-off: In aligning our business strategies with the United Nations Sustainable Development Goals (SDGs), ERG seeks to maximize the positive impact of our environmental initiatives. We integrate environmental, social and governance (ESG) criteria into our business strategy, creating synergies between financial and environmental objectives. This approach allows us to identify and manage trade-offs, ensuring that our business strategies contribute positively to both financial performance and environmental sustainability. Provide examples: ERG uses integrated scenarios that simultaneously consider dependencies, impacts, risks, and opportunities to provide a comprehensive view of the challenges and opportunities we face.

We adopt a holistic and proactive approach to environmental issues. In the new 100% Renewable setup, we expect a further improvement in Climate Change risk management, as the strategies will be 100% focused on technological diversification (through the development and management of Wind & Solar plants) and geographical diversification (9 EU countries and the USA). We have established cross-functional committees composed of experts from different areas collaborating to evaluate environmental issues in an integrated manner. This ensures that all perspectives are considered in strategic decisions. Our integrated approach to managing environmental dependencies, impacts, risks, and opportunities enables us to create long-term value, promote sustainability, and make a positive contribution to the environment and society.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:
☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply
☑ Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations
☑ Areas important for biodiversity

(2.3.4) Description of process to identify priority locations

ERG considers the protection of the environment and biodiversity a crucial issue, requiring a global commitment. The European biodiversity strategy aims to protect at least 30% of the Union's marine and terrestrial areas by 2030, keeping at least 10% undisturbed. ERG's strategy aims at the constant growth of energy production from renewable sources, the fight against climate change, decarbonisation and sustainability, following the SDGs and preserving biodiversity. Environmental protection and the safeguarding of biodiversity are among the Group's strategic objectives, regulated in the Code of Ethics, in the Sustainability Policy and in the Environmental, Health and Safety Policy, and applied in the objectives defined in the ESG Plan. The Sustainability Policy clarifies ERG's active and constant commitment to the protection of biodiversity, respecting the principle of the "mitigation hierarchy" to avoid and minimise negative impacts on biodiversity. In France, measures are taken to protect animals, such as scheduling construction work during non-critical periods for wildlife and using bird detection systems to reduce collisions with wind turbines. In Spain, additional land has been acquired to implement environmental compensation measures, such as crop rotation and the safety of

habitats of community interest. ERG uses various tools and data, including ecological sensitivity maps and environmental impact assessments, to identify priority locations, analyzing dependencies, impacts, risks and opportunities related to nature. ERG's commitments are aligned with the United Nations Sustainable Development Goals, and include assessing environmental and biodiversity impacts for all developed facilities, monitoring impacts and mitigation actions over time, and improving the processes for identifying priority locations to ensure greater geographical specificity and data aggregation.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

Describe the thresholds considered to be substantive for the metrics reported in column 6: In 2023, ERG conducted an analysis to identify primary types of both physical and transition-related climate risks, considering thresholds for substantive impacts over specified time horizons. This analysis assesses their financial implications on the business and details management strategies to mitigate these risks. The framework remains active, clearly defining the interdependencies between scenario variables and risk types. The Group defines risks as substantial risks which could lead to a change in EBTDA in the short, medium and long-term time horizons as defined in question 2.1 of the questionnaire. In particular, the potential risk impacts on the energy production and consequently on the revenues. The threshold that defines a substantial impact is set at 5% of the annual EBITDA value. Describe how Often the Metrics, and Their Thresholds, Are Selected, Reviewed, and Updated Metrics and their thresholds are selected, reviewed and updated on an annual basis to ensure the analysis remains current and relevant to the evolving business and environmental landscape. Significant updates may also be made, if necessary, in response to new data or emerging risks. However, as underlined in answer 2.1 the time horizons are always in line with the Strategic Plan. The function that deals with the definition of the metrics, the related thresholds and any updates is Enterprise Risk Management; the ERM and ESG department works together with all Management (including the CEO and C-suite) evaluating the main risks, defining strategies and operational approaches to manage them, including mitigation and adaptation measures and monitoring their effectiveness to ensure they are aligned with the strategic plan.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ EBITDA

(2.4.3) Change to indicator

Select from:

☑ Absolute increase

(2.4.5) Absolute increase/ decrease figure

30000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

Describe the thresholds considered to be substantive for the metrics reported in column 6: In 2023, ERG conducted an analysis to identify primary types of both physical and transition-related climate risks, as well as opportunities, considering thresholds for substantive impacts over specified time horizons. This analysis assesses their financial implications on the business and details management strategies to capitalize on these opportunities. The framework remains active, clearly defining the interdependencies between scenario variables and risk types. The Group defines substantial risks and opportunities as those which could lead to a change in EBITDA over the short, medium, and long-term time horizons, as outlined in question 2.1 of the questionnaire. ERG Group's strategy is fully aligned to capture opportunities by focusing on growing its renewable capacity. In line with European policies and market trends, ERG emphasizes expanding its renewable portfolio through geographic and technological diversification. To quantify the potential financial impact, the EBITDA associated with increased production capacity is projected to be between 25 and 30 million, assuming that the new renewable energy capacity is commissioned one year ahead of schedule. Describe how Often the Metrics, and Their Thresholds, Are Selected, Reviewed, and Updated Metrics and their thresholds are selected, reviewed and updated on an annual basis to ensure the analysis remains current and relevant to the evolving business and environmental landscape. Significant updates may also be made, if necessary, in response to new data or emerging opportunities. However, as underlined in answer 2.1 the time horizons are always in line with the Strategic Plan. The Enterprise Risk Management (ERM) function is responsible for defining metrics, setting related thresholds, and making any necessary updates. The ERM and ESG departments collaborate closely with all levels of Management, including the CEO and C-suite, to evaluate key opportunities. They define strategies and operational approaches to manage these, incorporating mitigation and adaptation measures. Additionally, they monitor the effectiveness of these measures to ensure alignment with the strategic plan.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

The organization has determined that it currently faces negligible environmental risks related to plastic. The company's value chain mapping has prioritized more impactful aspects for its business, and plastic is not a major material of concern.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Changing wind patterns

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Italy
☑ France
☑ Poland
☑ Sweden
☑ Germany
☑ Romania
☑ Bulgaria
☑ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Contextual information: Risk is related to the variability of renewable energy sources. A variation of weather patterns, particularly wind availability, could determine a different availability of wind in ERG wind farms (Italy, France, Germany, Romania, Poland, Bulgaria, UK and Sweden). Due to the importance of wind power

generation in our Group installed capacity (in 23 about 84 %), weather patterns could expose the Group to unfavorable conditions with an impact on electricity generation, therefore representing a risk for achieving the expected revenues during the medium-term horizon. ERG operates in the electricity production sector in Italy, with an installed capacity of 1,321 MW in wind power. In 2023, electricity output in Italy amounted to 2,784 GWh, of which 2,528 GWh from wind powers, an increase compared to 2022 due to: - the assets acquired in the second half of the year - the lower wind speeds experienced on the wind assets. Details: The analysis focused on "average daily wind speed" as the key variable influencing energy production. ERG used climate model data to obtain key climate variables. ERG, as a Pure Renewable Player, has confirmed its commitment to the growth of growing its renewable portfolio in the Wind sectors, in accordance with the strategic guidelines reflected in the 24-26 Industrial Plan. This will be achieved through a policy of geographical diversification, technological diversification and the progressive securitization of revenues.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ About as likely as not

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The risk of lower renewable wind generation has a significant and measurable impact on the Group's financial position, financial performance and cash flows in the medium term. The organization, through constant monitoring of environmental risks, implements mitigation strategies to minimize the negative economic consequences. To assess the potential impact of the risk on the financial position, financial performance and cash flows of the organization, the Group has considered several variables such as the decrease in renewable wind generation and an all-in price. In the medium term, the maximum impact has been assessed at

6.1 million. This represents a significant reduction in revenues, which could negatively affect the Group's ability to finance new investments or maintain the current level of liquidity.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

5795000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

6100000

(3.1.1.25) Explanation of financial effect figure

Assumption: During 2023 we launched an internal working table with the aim of quantitatively assessing how climate change could influence the annual production of the ERG Group's Wind assets in the medium term. The operational steps and hypotheses made mainly concern: - the identification of the reference scenarios (among the most accredited at international level) - the identification of the climate variables to be analyzed - the analysis of the impacts With particular reference to the variable, the average wind speed at 100 m above sea level was considered as it is considered the main variable that could influence production. The analysis carried out did not consider the impact of air density as this has been shown to be negligible. The "site-specific" analysis was then reported at country level in the various countries in which the Group operates Approach to calculate the figure: To evaluate the potential impact figure the Group has considered different variables: - a potential lower renewable Wind production of 107GWh per year due to changes in the availability of renewable energy sources. - an All-in Price value of 120.7/MWh (Price all-in [(Revenue 2023 / Production 2023) x1000) Multiplying the two variables above the Group obtain the financial impact figure equal to 6.1 million/year that represent the revenue reduction due to the production reduction. The maximum impact in the medium term has been assessed at 6.1 million, while the minimum impact is estimated to be that monetary value reduced by 5%.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase geographic diversity of facilities

(3.1.1.27) Cost of response to risk

6000000

(3.1.1.28) Explanation of cost calculation

The cost of response to risk is linked to the people involved in RES deployment necessary to achieve the growth objectives of about 800 MW of additional capacity in Wind by 2026 established in our Business Plan. Considering an average cost per employee of 60,000 / y and an average of 100 employees working on Business Development in all the EU target countries where ERG is developing its projects during the Business Plan period 2024-2026, the total annual cost is about 6,000,000.00 euros per year.

(3.1.1.29) Description of response

Details of organization's response to mitigate, control, transfer or accept the risk and the response effect: ERG mitigates the risk related to the Wind natural variability in different ways: - The technological diversification of renewable energy plants (e.g., Wind, and Solar) and the geographical diversification of the generating farms, which reduce both the impact and likelihood of occurrence of the risk; - Planning of renewable plant shutdowns based on periods with low use of renewable sources, thereby reducing their impact of occurrence of the risk; - Use of more accurate meteorological forecasting tools (Wind and Sun) to define generation plans and further improve the volume risk management strategies in the short term; - The use of statistical risk analysis models is also envisaged, as they enable quantification of the economic impacts over the life of the plan. Example of organization-specific risk response actions ERG's strategy will continue to be focused on growth in RES, via geographical and technological diversification policy. The objective is to achieve installed capacity of 4.6GW by the end of the plan period, with an increase of additional capacity of: - about 800 MW in Wind in 9 Countries (Italy, France, Germany, UK, Poland Romania, Bulgaria, Sweden, USA) within 2026; - about 900 MW in Solar in 4 Countries (Italy, France, Spain, USA); - about 200 MW in Battery storage.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Italy
☑ Spain
☑ France
☑ Poland
☑ Sweden
☑ Germany
☑ Romania
☑ Bulgaria
☑ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

Provide further contextual information on the risk driver: A significant risk for ERG is potential changes in expected revenues from renewables if authorization times exceed those anticipated in our Business Plan (average 5 years). Structural difficulties in obtaining authorizations across the country could impact this. ERG aims to expand renewable capacity, targeting 4.6 GW by 2026, with an additional 322 MW achieved in 2023. Include organization-specific details: To this aim, ERG plans to invest 1.2 bn in the 2024-2026 period to renewables development, 100% aligned with the EU Green Taxonomy, positioning the Group on track to achieve its 2040 science-based Net Zero target, in line with the 1.5C pathway scenario. The fulfillment of this targets, presented in our Business Plan 2024-2026, depends on the evolution of policies and mechanisms that promote renewable deployment, including the time necessary for obtaining authorization for the Wind and Solar Projects. To promote decarbonization and RES development, at the end of 2023, the Energy Ministers of the European Union approved the European Wind Charter. Over 300 European wind energy companies, including ERG, also signed the Charter, voluntarily committing to support and develop the wind energy sector from 2024 to 2026. Through the Charter, the governments committed to accelerating wind energy growth in line with European targets by speeding up and simplifying authorization processes.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Delays in securing operating licenses

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The risk refers to the possibility that, in relation to the plants under construction, there will be a delay in the commercial operations start date (COD) due to various factors such as the execution of Balance of Plant (BoP) works, delays in the commissioning of wind turbines (WTG) by the manufacturers, and other possible obstacles. These delays could have a significant impact on the expected EBITDA, negatively affecting the financial performance of the organization. In the risk assessment, an average delay of approximately 3 months in the COD year has been considered for the plants currently under construction. This delay would result in an impact on the Plan's EBITDA of approximately 14 million. The probability of such a delay occurring has been classified as "low". However, despite the low probability, the potential financial impact is material and requires attention to ensure that mitigation strategies are adequately implemented to minimize the negative economic consequences.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

100000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

14400000

(3.1.1.25) Explanation of financial effect figure

Assumption: In the context of this evaluation, the reduction in renewable capacity is due to the risk related to longer authorization time and consequent delay in the entrance in operation of new plans, that are still under construction. - Assumption: To quantify the potential financial impact, an additional period of delay in obtaining

the authorizations is assumed and consequently in the start of commercial operations date (COD). In particular, for the calculation of the Key Risk Indicator (KRI) it was therefore assumed: - an average delay of about 3 months in the COD year for plants under construction, with a consequent impact on the EBITDA of the Plan of about 14 million euros - a low probability. Approach to calculate the figure: To calculate the financial impact in the medium-term, the projects under construction that are still under authorization have been considered. In particular, the projects are as follows, and the associated monetary values are also provided: - Minea/ Militello /Vizzini: 5.2 - Castelvetrano/ Salemi: 3.6 - Bourgogne: 1.2 - Picardie: 0.5 - Limousine: 0.3 - Repowering: 0.1 - Siena post Repowering: 3.2 - Storage: 0.3 As a result, the total value is 14.4M. The assumption of 3 months of delay in obtaining the authorizations for plants under construction could negatively impact the Business Plan's EBITDA of about 14.4M for the 2024-2026 period, referring to all projects for which the authorization has still ongoing and not yet been completed. For these projects, the probability is, in any case, assessed as "Low" for the actions in place to obtain the authorizations within the terms indicated in the Business Plan.

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

(3.1.1.27) Cost of response to risk

6000000

(3.1.1.28) Explanation of cost calculation

The cost of response to risk is linked to the people involved in RES deployment necessary to achieve the growth objectives of about 800 MW of additional capacity in Wind by 2026 established in our Business Plan. Considering an average cost per employee of 60,000 / y and an average of 100 employees working on Business Development in all the EU target countries where ERG is developing its projects during the Business Plan period 2022-2026, the total annual cost is about 6,000,000.00 euros per year.

(3.1.1.29) Description of response

Details of organization's response to mitigate, control, transfer or accept the risk and the response effect: ERG is working to establish a culture of renewable energy among the institutions and the many stakeholders in our sector. We are aware that renewables are a primary tool for achieving energy independence and combating climate change, and we think that a change of pace is needed in the regulatory and legislative spheres to accelerate the development of this market. To minimize the risk of delays in obtaining authorizations, ERG implemented the following actions: - Specific organisational units, in all the country we operate, dedicated to stakeholders engagement (with Institutions at the national and international level) and to the monitoring of national and international legislation - Establishment and maintenance of relations with the reference Institutions at the national and international level aimed at accelerating the penetration of RES in all the country we operate, contributed to simplify the authorization process. - Drafting of development plans for investment in renewable energy that take into account of the time for obtaining the authorization for RES (the assumptions already indicated in the Business Plan that estimates 5 years as an average for the conclusion of the permitting phase). Example of organization-specific risk response actions To promote decarbonization and RES development, at the end of 2023, the Energy Ministers of the

European Union approved the European Wind Charter. Over 300 European wind energy companies, including ERG, also signed the Charter, committing to support and develop the wind energy sector from 2024 to 2026. Through the Charter, governments committed to accelerating wind energy growth in line with European targets by speeding up and simplifying authorization processes.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

14820000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

7410000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.7) Explanation of financial figures

The % of total financial metric vulnerable to risks for this environmental issue is calculated as a ratio between the value reported in the column "Amount of financial metric vulnerable to transition/physical risks for this environmental issue" and the value of the revenue in the reporting year. At transition-risk level the vulnerability is linked to the political, legislative, and regulatory evolution of the individual countries in which we operate. Revenues vulnerable to transition risks were estimated at around 2%. This assessment is based on the in-depth analysis conducted in 2023, which took into account all transition risks potentially capable of influencing the Group's strategies and its environmental objectives. Consequently, considering 2023 revenues of 714 million, an economic impact of 14.8 million was calculated. At the physical-risk level, the vulnerability is linked to the availability of natural resources that could affect the plants power production. Revenues vulnerable to physical risks were estimated at around 1%. This assessment is based on the in-depth analysis conducted in 2023, which took into account all the plants of Group. Consequently, considering 2023 revenues of 714 million, an economic impact of 7.41 million was calculated. It should be noted that thanks to geographical and technological diversification, the portion of revenues vulnerable to physical risks is lower than that of transition.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp7

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Ability to diversify business activities

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Italy
☑ Spain
☑ France
☑ Poland
☑ Sweden
☑ Germany
☑ Romania
☑ Bulgaria
☑ United Kingdom of Great Britain and Northern Ireland

(3.6.1.8) Organization specific description

Context on the opportunity driver: ERG can increase revenues thanks to national and European regulations that boost the demand for electricity from renewable sources, in line with the Paris objectives and the European Green Deal. The European Commission aims to accelerate the clean energy transition, diversify energy sources, and save energy. In line with European policies and market drives ERG focuses its strategy on the growth of the renewable portfolio through geographic and technological diversification. In the period 2022-2023, ERG installed 322 MW of new RES capacity (148 MW of Wind and 174 MW of Solar) of which: - Italy (56 MW), - UK (92 MW), - Spain (174 MW). How the opportunity links to the organization's risks: The opportunity to develop new renewable energy sources can overcome the risk of depending on wind variability by diversifying the energy mix with complementary technologies such as solar, and by installing plants in different countries, thus

ensuring a consistent and reliable production of renewable electricity. Include organization-specific details: ERG, as a Pure Renewable Player, has confirmed its commitment to the growth of growing its renewable portfolio in the Wind & Solar sectors, in accordance with the strategic guidelines reflected in the 2024-2026 Industrial Plan. This will be achieved through a geographical diversification policy (9 EU countries USA), technological diversification (Wind & Solar) and progressive securitization of revenues.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased production capacity

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

To estimate the potential positive financial impact, ERG has considered an increase in 2026 EBITDA related to the early commissioning of about 400MW now expected as new RES capacity in the 2027 (5GW in 2027 vs 4.6 GW in 2026 page 115 Consolidated Financial Statement - CFS).

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

25000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

30000000

(3.6.1.23) Explanation of financial effect figures

Approach and Assumptions: To estimate the potential positive financial impact, ERG used an approach based on analyzing the potential increase in EBITDA for the year 2026, due to the early commissioning of approximately 400 MW of new renewable energy capacity (RES), originally planned for 2027 (comparison between a capacity of 5 GW in 2027 and 4.6 GW in 2026). The approach focuses on the effect that this acceleration would have on EBITDA, assuming that bringing the commissioning forward by one year would lead to an immediate improvement in financial performance. To quantify the figure of the potential financial impact, a specific EBITDA value associated with the commissioning of the 400 MW of new capacity was assumed. It was estimated that the additional EBITDA would range between 25 and 30 million euros (M), assuming that the new RES capacity is put into operation one year earlier than the original plan. Calculation Method and figures used: The calculation method used to determine the impact on EBITDA includes the following steps: 1.Identification of additional capacity: The additional capacity of 400 MW was identified as the difference between the total RES capacity planned for 2027 (5 GW) and that for 2026 (4.6 GW). 2. Estimation of EBITDA for additional capacity: The EBITDA associated with the 400 MW capacity was estimated based on historical yield rates for similar RES operations, taking into account current market conditions and energy price expectations. 3. Range of estimated EBITDA: The range of 25-30 M was calculated using financial models that consider various energy price scenarios and operating costs to represent a realistic range of potential outcomes.

(3.6.1.24) Cost to realize opportunity

6000000

(3.6.1.25) Explanation of cost calculation

The cost of responding to this risk refers to the Human Resources costs necessary to achieve the growth objectives of additional 400 MW in 2027. Considering an average cost per employee of 60,000 / y and an average of 100 employees working on Business Development in all the EU target countries where ERG is developing its projects during the Business Plan period 2022-2026, the total annual cost is about 6,000,000.00 euros per year.

(3.6.1.26) Strategy to realize opportunity

An example of organization-specific activities, projects, products and/or services which are aiming to realize the opportunity: The ERG company participates in several national and international debates and initiatives to develop frameworks, policies, and regulatory mechanisms to support the energy transition through strategic pillars such as "decarbonization." At the local level, ERG works with stakeholders to develop proper regulatory frameworks to support and accelerate the

renewables development and deploy market designs to integrate RES technologies. To increase our presence at an international level, we constantly observe the activities of the leading European institutions, paying particular attention to energy and environmental issues and with sector associations' support (Wind Europe). In parallel, ERG carefully monitors the political, legislative, and regulatory developments in all the countries where we are present (please refer to 1.7). Our 2022-2026 Business Plan pays particular attention to all these markets, which we aim to consolidate in the coming years. The stakeholder engagement plans in these countries aim to present ERG as a solid and reliable industrial partner with consolidated experience and long-term development plans and a green operator actively committed to the energy transition. "Stakeholder engagement" is how we build significant partnerships and relationships with other operators, the media, and institutional stakeholders, supporting the development of the entire Group's business. An explanation of how this opportunity has been prioritized in relation to other opportunities: The Group challenges to exploit the opportunity and maximize its potential realization. This prioritization is evidenced by the growth recorded in installed capacity in 2022-2023 (CAGR 18%) versus the target growth in BP 2022-2026 (CAGR 11%). In the period 2022-2023, ERG installed 322 MW of new RES capacity (148 MW of Wind and 174 MW of Solar) in line with the ambition of 300 MW/y. Since the CAGR for the BP 2022-2026 is 12%, we could consider an additional CAGR of 3% that allows us to reach the target of 5GW in 2026, a year prior to target. This clearly shows how ERG has strategically prioritized this opportunity above others to achieve significant growth and meet its ambitious goals ahead of schedule.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp8

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of low-carbon energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Italy

☑ Spain

☑ Germany

☑ Romania

☑ France
☑ Poland
☑ Sweden
☑ Bulgaria
☑ United Kingdom of Great Britain and Northern Ireland

(3.6.1.8) Organization specific description

Context on the opportunity driver: Climate change and its effects on climate parameters and patterns in the long-term, may entail opportunities for ERG: in fact, the rising temperatures may trigger higher electricity demands especially due to (some example): - rising of the Population in the European Countries - increasing numbers of electric vehicles - electrification of the transport sector - new industrial processes and other energy-intensive applications (e.g. data center). How the opportunity links to the organization's risks: The opportunity to develop renewable sources can mitigate the risks the organization faces related to wind variability and authorization delays. Diversifying the energy mix and installing plants in different countries helps not only to combat decarbonization but also to ensure a consistent and reliable production of renewable electricity. Include organization-specific details: The Group's installed capacity in wind and solar power grew by 526 MW in 2022 to reach over 3 GW, thanks to M&A, transaction, in line with the geographical diversification objectives. Thanks to the grew in RES capacity, in 2023, ERG installed 322 MW of new RES capacity (148 MW of Wind and 174 MW of Solar) of which: - Italy (56 MW), - UK (92 MW), - Spain (174 MW). In this context, ERG's Business Plan projects establish an increase in installed capacity for the region in order to respond to this growing demand.

(3.6.1.9) Primary financial effect of the opportunity

Select from:
☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply
☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:
☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:
☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The Group works to estimate the relation between changes in physical variables and changes in the potential output of individual plants from different generation technologies (Wind & Solar). Initial results of scenario analysis and climate data have shown that significant, chronic changes will take place gradually over the coming decades, therefore in order to estimate the potential impacts on its business ERG performs a sensitivity analysis considering all factors that will be influenced by physical variations. The variable examined for all countries in which the Group operates was electricity demand considering a 10% per year, that is a threshold considered material for ERG's business.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

15486900

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

16302000

(3.6.1.23) Explanation of financial effect figures

The financial impact was calculated through the following rationale (analysis break- down): 1) Analysis of the impact on energy prices caused by the increase of 10% in the electricity demand in all EU countries due to rising mean temperatures. 2) Analysis of such variation on energy prices of external suppliers and volume at country level according to the volume of ERG's energy production (6139 GWh in 2023 globally) and based on scenario analysis in the long-term. 3) Analysis of the positive gap created on the expected profits in the long-term in terms of additional revenue (so that the inflation rate does not impact this evaluation). This is because an increase of power demand can impact our unitary margin and energy volume produced from our RES generation Plants. Based on this rationale, it was estimated that a higher demand for electricity (10% accumulated) due to rising mean temperatures could have a positive impact of about 2% on revenue every year (affected by higher production than expected in the business plan). Therefore considering the revenue of the reporting year (741 M) per year in the BP multiplied by 2.2% of increase of price (due to the rising in demand of electricity), a positive impact of 16.3 MN per year in revenue could be assumed. The maximum impact in the medium term has been assessed at 16.3 million, while the minimum impact is estimated to be that monetary value reduced by 5%.

(3.6.1.24) Cost to realize opportunity

6000000

(3.6.1.25) Explanation of cost calculation

The cost of response to this opportunity is related to the group's Units "Portfolio strategy & Scenario and Market Analysis & Scenario" that provides the models and tools to define impacts related to change in demand patterns. The figure considers an average cost per headcount of around 60,000 per year and an estimated team of 10 people working in the two Units identified (600.000 60.000 /y x 10people).

(3.6.1.26) Strategy to realize opportunity

An example of organization-specific activities, projects, products and/or services which are aiming to realize the opportunity: ERG, in its organization, introduced a department that monitors changes in demand patterns and that contribute to the investment decisions in expanding renewables across geographies. Thus, to meet the potential increase in energy demand, ERG Group's strategy focuses on growing its renewable capacity. By 2026, ERG will further accelerate the growth in order to reach over 4.6GW of renewable power. To this aim, ERG plans to invest 3.5 bn in the 2022-2026 period to renewables development, 100% aligned with the EU Green Taxonomy, positioning the Group on track to achieve its 2040 science-based Net Zero target, in line with the 1.5C pathway scenario. A geographical diversification allows to balance and mitigate, at global level, both positive and negative impacts from changes in mean temperatures, for this reason ERG is expanding its presence through the development of RES in 9 Countries in EU and in USA: - 2,0 GW in Italy; - 1 GW in France; - 0,4GW in Germany; - 0,3 GW in UK; - 0,6GW in Spain; - 0,1GW in Sweden; - 0,3GW in Est Europe – Poland, Romania and Bulgaria - 0,3 GW in USA. An explanation of how this opportunity has been prioritized in relation to other opportunities: ERG is now a pure renewable operator focused on solar and wind, with a Net Zero target by 2040 - a realistically achievable goal. We have also strengthened our commitment to developing a global renewable portfolio. In line with our Business Plan, we will continue to focus on the growth of renewables to exploit the opportunity and maximize its potential realization.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

22230000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

The % of total financial metric aligned with opportunities for this environmental issue is calculated as a ratio between the value reported in the column "Amount of financial metric aligned with opportunities for this environmental issue" and the value of the revenue in the reporting year. Revenues vulnerable to opportunities were estimated at around 3%. This assessment is based on the in-depth analysis conducted in 2023, which took into account all the opportunities generated by climate changes that can benefit the Group in developing its business. Instead, the value of the revenue in 2023 is 741 million.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

ERG S.p.A. has a strong commitment to diversity and inclusion, as evidenced by its Diversity & Inclusion Policy. The document underlines the importance of a fair and respectful working environment that values individual differences as a driver of innovation and success. The policy applies to all levels of the company, from employees to commercial partners, and is committed to achieving measurable objectives in terms of gender equality, equal opportunities and inclusion. The company is committed to monitoring the implementation of the policy, providing training and promoting an inclusive culture through concrete initiatives. Finally, the Board of Directors of ERG S.p.A. fully approves and supports the policy, underlining the company's long-term commitment to diversity and inclusion.

(4.1.6) Attach the policy (optional)

ERG_Diversity Inclusion Policy.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Board chair
☑ Chief Executive Officer (CEO)
☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Monitoring progress towards corporate targets

☑ Approving and/or overseeing employee incentives

☑ Monitoring the implementation of the business strategy

☑ Monitoring the implementation of a climate transition plan

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors is responsible for developing the Group's strategy and monitoring its implementation in relation to climate-related issues. In particular: - Monitor the implementation of the business strategy: The Risk and Sustainability Committee, along with the Strategic Committee, regularly updates the Board on the Group's strategy to mitigate climate risks and capitalize on opportunities. In 2022, the Board intensified efforts in combating climate change. The growth strategy and investment CapEx are fully aligned with the EU Green Taxonomy, positioning the Group to achieve its 2040 science-based Net Zero target, consistent with the 1.5C pathway scenario. In 2023, the Board considered: • plans for developing and producing renewable energies; • strategies for geographic and technological diversification; • ongoing monitoring of regulatory developments in our operating countries and stakeholder relations. - Review and guide annual budgets: The strategies formulated are integrated into the planning and budgeting process, which establishes key figures such as Revenue, EBITDA, Opex, and Capex. These figures account for anticipated operations, including acquisitions or divestments, organic growth of existing facilities, new constructions (Capex), and new long-term

power purchase agreements (PPAs). As in previous years, their implementation in 2023 involves ongoing monitoring during regular meetings to ensure alignment with strategic objectives. - Review and guide the assessment process for dependencies, impacts, risks, and opportunities: The Enterprise Risk Management (ERM) regularly updates the board on the assessment and monitoring of risks, and guides the process for dependencies, impacts, risks, and opportunities. This framework enables the Board to comprehensively oversee all aspects related to climate. Specifically, in 2023, ongoing analyses facilitated the development of a structured approach to assess the potential impacts of climate change on the business, in accordance with TCFD guidelines. - Monitor the implementation of a climate transition plan and monitor compliance with corporate policies: The Board of Directors approves the Business Plan and the updated 2024-2026 ESG Plan. In 2022, the Board publicly committed to achieving a Net Zero Target by 2040 (approved by SBTi). The 2024-2026 Business Plan aims to outline specific strategies and targets to solidify our leadership in the energy transition across Italy and Europe, including the phase-out of thermoelectric generation and a 100% increase in renewable energy sources (RES). - Oversee and guide employee incentives: The group's compensation policy outlines the incentives designed to foster sustainable value, drive results, and maintain commitment to the energy transition and the ESG plan. In 2023, the Remuneration Policy was established to attract and motivate highly qualified managers, ensuring alignment with the objectives set in the 2024-2026 Business and ESG Plan.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Other C-Suite Officer

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing and guiding acquisitions, mergers, and divestitures

(4.1.2.7) Please explain

The Board of Directors is responsible for developing the Group's strategy and monitoring its implementation in relation to biodiversity-related issues. In particular: - Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities: The protection of the environment and the safeguarding of biodiversity are strategic goals of the Group and are regulated within the Code of Ethics, the Sustainability Policy, and the Environment, Health, and Safety Policy (HSE). These objectives are reflected in the goals defined in the ESG Plan. - Overseeing and guiding acquisitions, mergers, and divestitures: The Sustainability Policy includes a section specifically dedicated to Environment and Biodiversity. Biodiversity impacts are assessed during the permitting phase for our Wind & Solar plants. Additionally, a monitoring program is implemented to reduce impacts on biodiversity where required.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Academic

☑ Postgraduate education (e.g., MSc/MA/PhD in environment and sustainability, climate science, environmental science, water resources management, forestry, etc.), please specify

Experience

☑ Management-level experience in a role focused on environmental issues

☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Implementing the business strategy related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

- Rationale: The CEO, as the only C-suite officer on the Board of Directors, holds the highest responsibility for disseminating the Board's main climate change guidelines throughout the organization and reporting back on progress. The CEO is also chiefly responsible for formulating and advancing the business strategy to achieve the decarbonization target (Net Zero by 2040, approved by SBTi) and for expanding RES Technologies. - The process: The CEO defines strategies and policies for managing risks that could affect the Group, including climate-related risks. ERG has a Management Team (C-Suite level) reporting to the CEO, which

assigns responsibilities related to climate topics to specific internal committees. Each committee is responsible for managing climate-related risks and opportunities within its area of competence. These committees are: • The Group Strategic Committee and the Group Investments Committee support the CEO in approving investments related to business development in RES. They also ensure that all investments align with the Group's commitment to promoting a low-carbon business model and achieving decarbonization by 2040. • The ESG Committee supports the CEO in defining Group sustainability guidelines for the medium- to long-term. It also oversees and guides the implementation of the ESG Initiatives Plan as part of the Group Business Plan, monitoring the execution and achievement of the ESG objectives.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

Our governance structure, comprising the board and internal committees, enables ERG to achieve its business goals. The ESG Committee, consisting of the Chairman, the Executive Deputy Chairman, the CEO, and all C-level executives, oversees and monitors objectives related to biodiversity and the action plans to achieve the biodiversity targets defined in the updated ESG Plan 2024-26. Specifically, it: • Defines the Group's medium- to long-term sustainability policies. • Approves the ESG Plan (which communicates biodiversity targets) for submission to the Control Risk & Sustainability Committee and periodically monitors its implementation. • Manages the preparation and dissemination of the Non-Financial Statement, where biodiversity-related targets and achievements are reported. The Group's strategic objectives, including respect for the environment and biodiversity protection, are outlined in the Code of Ethics, the Sustainability Policy, and the HSE Policy. Consequently, ERG commits to adopting Environmental Management Systems certified according to recognized standards in its operating companies. Following the Principles of the UN Global Compact (endorsed by ERG in May 2022), the Group commits to: • Minimize the environmental impact of its activities by reducing energy consumption, atmospheric emissions, and waste production, improving plant quality and efficiency, and recycling materials within a "circular economy" framework. • Consider biodiversity, natural habitats, and ecosystems protection as critical components of sustainable development when developing projects. • Promote the informed and responsible use of all natural resources available to the Group, managing the territory and water resources appropriately, judiciously, and with minimal impact to ensure their availability for future generations. In the updated ESG Plan 2024-26, we have set a target to ensure that 100% of our development projects include a biodiversity impact assessment.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

The Performance Management system follows a cascading logic along the organizational structure. We first define the annual objectives for the CEO's first line and progressively for the collaborators, measuring the results achieved throughout the year. The objectives are both corporate and individual, with a review session at the beginning and end of the year to capitalize on learnings. The incentive system is structured along two timeframes: • short-term, based on a Management By Objectives (MBO) approach; • long-term, based on a Performance Share system. Regarding the short-term system, the common sustainability objective represents 20% of the CEO's short-term variable remuneration.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Strategy and financial planning

☑ Board approval of climate transition plan

Emission reduction

☑ Implementation of an emissions reduction initiative

Resource use and efficiency

☑ Energy efficiency improvement

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

- The period over which performance is measured: The 2021-2023 Performance Share Incentive System is defined in line with the objectives of the Business Plan, and its time horizon corresponds to the three-year mandate of the Board of Directors. - Quantitative details of incentives and performance metrics: The ERG's Key Managers (retribution is composed by a fixed and a variable component. The variable component of the remuneration for managers is divided into two distinct and closely linked elements with a view to sustainability in the medium to long-term and is awarded in accordance with the provisions of the MBO System and the essential elements of the 2021-2023 LTI System. ERG "Key Manager" are the following C-Level: Chief Human Capital & ICT Officer; General Counsel; Chief Business Development and M&A Officer; Chief Engineering Development Officer; Chief Operating Officer; Chief Financial Officer. The CSO is included in the key managers. The purpose of the MBO System is to encourage participants to achieve annual objectives. The system provides for the allocation of structured performance objectives as a percentage of the target incentive amount assigned to each participant: • 30% Group consolidated EBT • 10%: Sustainability Objective • 60%: individual objectives (maximum of 4) measured according to quantitative indicators linked to economic/ financial parameters, business development, organizational matters and/or specific projects. In addition, many different managers' objectives, both Individual and Sustainability target, are linked to the deployment of the Business Plan and their rewards are linked to: - ERG's decarbonization strategy: that it is the most important action to reach ERG's Net zero target - contributing to the deployment of the Business Plan which guarantee the increase of the renewable installed capacity, increasing the quantity of green electricity produced, and having a direct impact on climate change in terms of "avoided emissions". - achieving the Sustainable target related to climate change and the minimization of waste from the reblading and repowering projects (10% Repowering: material and/or energy recovery; 10% Revamping: material and/or energy recovery). - Improving wind farm efficiency (and therefore guaranteeing green energy production). Such goals, increasing the quantity of green electricity produced, have a direct impact on climate change in terms of "avoided emissions".

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The selected indicators contribute to the Group's strategy by ensuring the sustainability of the Company over time, incentivizing management to achieve strategic results, with the perspective of sustainable success, consistent with the specific objectives of the Business Plan and ESG Plan including net zero targets.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Procurement manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Policies and commitments

☑ Increased supplier compliance with environmental requirements

Engagement

☑ Increased engagement with suppliers on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

The Short-Term Incentive (MBO) is a monetary reward based on annual objectives linked to specific projects. In detail, the Procurement manager objectives are linked to: • the deployment of the Business Plan and their rewards are related to: ERG's decarbonization strategy, which is the most important action to reach ERG's Net Zero target. Such goals can be considered linked to the climate as their deployment, increasing the number of plants to be built, directly increases the quantity of green electricity produced and the quantity of 'avoided emissions'. • specific targets related to the engagement and compliance with suppliers on climate-related issues. These targets are measurable, challenging, realistic, verified, and approved by the performance and management control department through a structured Group process led by the HR department. These incentives are directly linked to our commitment to achieving net-zero emissions.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The selected indicators contribute to the Group's strategy by ensuring the sustainability of the Company over time consistent with the specific objectives of the Business Plan and ESG Plan including net zero targets.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Buyers/purchasers

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Policies and commitments

☑ Increased supplier compliance with environmental requirements

Engagement

☑ Increased engagement with suppliers on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Buyers/Purchasers have a personal short-term incentive scheme (called 'IQ'), which is a monetary reward based on annual objectives linked to specific projects related to: • Increasing engagement with suppliers on climate-related issues, contributing to improved supplier sustainability practices and alignment with our climate transition plan. • Increasing supplier compliance with climate-related requirements, helping to ensure that our supply chain actively supports our net-zero goals. These targets are measurable, challenging, realistic, verified, and approved by the performance and management control department through a structured Group process led by the HR department. By enhancing supplier engagement and compliance, these incentives contribute directly to our environmental commitments, including the goal of reaching net-zero emissions by 2050.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The selected indicators contribute to the Group's strategy by ensuring the sustainability of the Company over time consistent with the specific objectives of the Business Plan and ESG Plan including net zero targets.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change

(4.6.1.2) Level of coverage

Select from:
☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply
☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

ERG operates in the belief that: Sustainable development is at the core of its business model, ensuring the strengthening of the Group's reputation and at the same time improving its results through a process of continuous improvement, aimed at achieving its environmental and social objectives and protecting the health and safety of workers and the creation of 'shared value' for stakeholders is one of the main elements of the ERG Group's sustainability. The Sustainability Policy aims to define the sustainability guidelines and guiding principles with particular reference to: A. Ethics, integrity and anti-corruption B. People C. Communities and stakeholders D. Environment E. Biodiversity F. Suppliers and business partners G. Customers. This Policy applies to all companies belonging to the ERG Group, to employees and to all third-party collaborators working at the Group's facilities and/or offices, in all countries where it operates.

(4.6.1.5) Environmental policy content

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

☑ Commitment to not invest in fossil-fuel expansion

Social commitments

☑ Commitment to promote gender equality and women’s empowerment

Additional references/Descriptions

☑ Description of dependencies on natural resources and ecosystems

☑ Description of impacts on natural resources and ecosystems

☑ Description of renewable electricity procurement practices

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

ERG_Sustainability Policy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ Other, please specify **:**Other environmental association

(4.10.3) Describe your organization's role within each framework or initiative

TCFD We have structured an analysis of the impacts that climate change may have on our business, developed in accordance with the guidelines of the TCFD (Task Force on Climate-related Financial Disclosures). This analysis began in 2019, resulting in disclosures from the 2019 Non-Financial Statement (NFS) onwards, and has been updated over time to account for changes in our scope, including entry into new countries like Spain and exit from the Hydro and CCGT businesses. The analysis covers four main areas: Governance, Strategy, Risk Management, and Metrics & Targets. The key phases of the process include: • Identifying reference scenarios • Identifying scenario variables that could impact ERG's business • Identifying climate-related risks and opportunities for ERG • Identifying the corporate functions responsible for governance, monitoring, and managing climate change issues • Identifying strategies for managing risks or capitalizing on opportunities Other environmental association As an international industry player, ERG continuously monitors the activities of the main European institutions on energy and environmental issues. This is done with the support of industry associations such as WindEurope and SolarPower Europe. For further information please refer to page 60-61 of Non Financial Statement (NFS).
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

ERG_Non Financial Statement 2023.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Voluntary government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Our organization is registered in the EU transparency register. In particular ERG SPA falls as a company within the organization "Association of Italian joint stock companies" registered with the code 15491122381-71

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

ERG strategy, as outlined in the Business Plan is fully focused on the development of new RES capacity (i.e., wind and solar plants). Therefore, all the engagement activities with our stakeholder, representing our needs in order to deploy our strategy, are coherent with the Paris Agreement and the expected decarbonization of the electricity generation. ERG influences the positions of the policy makers and of the trade associations: - Anticipating and influencing Boards / steering committees and technical Working groups of the trade associations through its participation into these bodies. - Applying Consultation papers issued by European and Italian authorities / public institutions. - Directly contributing to position papers and documents issued by associations. - By means of legitimate lobbying activities directly or in association with other energy operators. - Funding, contributing and disseminating studies and focuses prepared by specialized firms on energy and environmental subjects. Our Code of Ethics states that all relationships and contacts with public institutions, as well as the safeguard of ERG's interests within those institutions, shall be managed by the business units formally in charge of keeping contacts with those institutions. ERG's personnel have been instructed to behave with transparency, clarity, accuracy and honesty in order to ensure that external entities are not driven to misleading or wrong interpretations. Such policy applies also to external consultants engaged by the company. Furthermore, the Sustainability Policy, in line with the principles set out in the Code of Ethics, directs the Group's activities, combining the objective of creating sustainable value with environmental responsibility and attention to internal and external stakeholders. Our Sustainability Policy defines our values, commitments, objectives and our organizational structure in relation to sustainability. It must be applied in conjunction with laws and regulations in force in the countries in which ERG operates, with the rules of conduct defined in the Code of Ethics, with the Organization and Management Model pursuant to Legislative Decree 231/01 and with the other policies and rules adopted by the Group.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

EU Green Deal – Fit for 55

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Emissions – CO2

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ Regional

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ EU27

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Discussion in public forums

☑ Participation in working groups organized by policy makers

☑ Participation in voluntary government programs

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The European framework is shaped by the "Fit-For-55" program, a comprehensive package of legislative initiatives aimed at achieving the mid-term climate goals by 2030, ultimately leading to climate neutrality by 2050. Energy supply security has become a top priority on the international political agenda, particularly in European countries. Consequently, the accelerated development of renewables serves not only a climate-related purpose but also a strategic political one: increasing electrification of consumption through clean energy from renewable sources and the timely phase-out of fossil fuels are crucial for reducing foreign dependency. The future's real challenge lies at the political and industrial levels. In the coming years, institutions, with the support of renewable energy operators, must work to maintain and enhance a competitive European renewable industrial supply chain capable of generating jobs, with a strong focus on technological innovation. ERG, through its industrial plan to 2026, aims to play a pivotal role in the energy transition. By producing energy from its renewable plants across Europe and sharing its energy expertise with governments and institutions, ERG is committed to contributing to the achievement of climate neutrality targets by 2050.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Legislative Decree n.199/2021 Italian Simplification Decree 2021

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Renewable energy generation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Italy

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with major exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

The analysis revealed significant regional disparities in the approach to authorizations and, more critically, highlighted a pervasive and severe misalignment between the authorization timelines and the necessary growth rates of electric renewable energy sources (RES) required to meet binding decarbonization targets. To address these challenges, ERG has proposed the development of a unified and streamlined framework to ensure expedited authorizations for repowering plants. This approach aims to harmonize the authorization process across regions, reduce bureaucratic delays, and support the rapid expansion of electric RES capacity essential for achieving the established decarbonization goals. By implementing a common and simplified framework, ERG seeks to facilitate faster and more efficient project approvals, ultimately contributing to a more robust and responsive energy transition strategy.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Discussion in public forums

☑ Participation in working groups organized by policy makers

☑ Participation in voluntary government programs

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The decree introduces significant innovations in the energy sector and establishes tools and mechanisms to support the development of renewable energy sources (RES) to meet the decarbonization goals set for 2030. This regulation is vital for ERG and its transition plan, as the Group is a leader in the renewable energy industry. ERG aims to promote and maintain a high level of energy efficiency for both wind and solar plants through a series of interventions designed to optimize the energy production of existing facilities.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Modification proposal to the Connection and Use of System Code CMP315/375

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Low-impact production and innovation

☑ Other low-impact production and innovation, please specify **:**Low carbon products and services

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ United Kingdom of Great Britain and Northern Ireland

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Neutral

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Discussion in public forums

☑ Participation in working groups organized by policy makers

☑ Participation in voluntary government programs

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The System Code is critical to the implementation of the transition plan; in fact, support for policies that enable the development of markets and/or provide incentives for the production of low-carbon products and services are necessary to achieve the goals of the energy transition. The System Code plays a pivotal role in the implementation of the transition plan. Support for policies that foster the development of markets and offer incentives for the production of low-carbon products and services is essential to meet the energy transition goals. This code establishes the regulatory framework necessary for creating a favorable environment for investment and innovation in the renewable energy sector. By encouraging the adoption of sustainable practices and technologies, the System Code ensures that market mechanisms and financial incentives are aligned with the broader objectives of reducing carbon emissions and promoting clean energy. Such comprehensive support is crucial not only for achieving decarbonization targets but also for driving economic growth and technological advancement within the renewable energy industry.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

☑ WindEurope

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

ERG, as an international industrial operator in the renewable energy sector, constantly monitors the legislative and regulatory activities of European institutions regarding energy and environmental issues, with the aim of contributing to the transition towards a sustainable energy model. The company actively participates in various initiatives, collaborating with institutions and industry associations, such as WindEurope, the body representing the wind industry in Europe and the European branch of the WWEA. ERG is directly involved in the governing bodies and technical tables, contributing to the development of regulatory proposals aimed at supporting the development of renewable energy, in particular wind power. ERG's position is consistent with the policies promoted by WindEurope, as both parties share the objective of strengthening the role of wind energy in the European energy transition, promoting greater integration of renewables in the energy mix. During 2023, ERG's policies continue to be aligned with the position of WindEurope. However, ERG has actively contributed to the association's proposals by participating in working groups and providing technical input on topics relevant to the wind sector. ERG’s commitment will continue in the future, with constant participation in technical roundtables and strategic discussions, in order to support the expansion of renewable energy and the achievement of Europe’s decarbonisation objectives.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

78000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Funding to trade associations is provided through membership fees as stipulated by the Association's code of incorporation. These funds are allocated for a variety of purposes, including supporting the general operations and activities of the association. The membership fees enable the association to conduct research, advocate for industry interests, organize events and conferences, and develop policy recommendations. This financial support is essential for the association to effectively represent its members, promote industry standards, and drive forward initiatives that benefit the sector as a whole.

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement
[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Other, please specify **:Other metrics**

(4.12.1.6) Page/section reference

ERG NFS 2023: Page 10, 15-21, 36-53, 125-130, 142-146

(4.12.1.7) Attach the relevant publication

ERG_Non Financial Statement 2023.pdf

(4.12.1.8) Comment

For further details please refer to the pages of the attached documents.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios
☑ Bespoke climate transition scenario

(5.1.1.3) Approach to scenario

Select from:
☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Outline the major assumptions The scenarios used incorporate and consider: • assumptions regarding local policies and regulatory measures to fight climate change. • the evolution of generation technologies and the penetration of renewable energy in the market and national energy mix. • modifications in means of transport (e.g., electrification of cars) and production processes (including green hydrogen) as these significantly impact energy demand. Local weather patterns, demographics, and infrastructure are also taken into account. • the transformation towards a fully decarbonized economy, focusing on the production of electricity from renewables. The modification of energy demand due to the electrification of transport and green hydrogen production is also a key assumption Hp on the severity or intensity of the driving forces The Group has identified the driving forces for this scenario by attributing to each of them a probability of occurrence classified as low or high on the basis of quantitative analyzes. Uncertainties and Outcomes The outcomes of the scenario analysis for ERG's renewable energy projects are influenced by several uncertainties and constraints that could impact feasibility and profitability. Changes in local and global policies and regulatory measures can significantly affect renewable energy initiatives. Additionally, the progress of technological advancements may not occur as swiftly as anticipated, impacting the efficiency and cost-effectiveness of renewable energy solutions. Unforeseen delays or setbacks in innovation could hinder the deployment and optimization of new technologies. Macroeconomic conditions such as GDP growth and energy prices are variable and can influence investment returns and energy demand. Economic instability or unexpected changes in the global or national economic landscape can create uncertainties in market dynamics. The availability of natural resources and suitable land for renewable energy projects can limit the scale of deployment. Furthermore, developing the necessary infrastructure, including grid integration and energy storage solutions, presents significant challenges. Efficiently integrating renewable energy into the existing grid and ensuring reliable storage capacity are critical for success but can be complex and costly. Lastly, financial constraints, including access to capital, can impact the ability to invest in in new technologies and projects.

(5.1.1.11) Rationale for choice of scenario

The transitional Scenario of the IEA which considers the same Sustainable Development Goals (SDGs) to which ERG refers in its strategy

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA B2DS

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Outline the major assumptions Our organization bases its strategic planning on the IEA B2DS scenario, which is pivotal as the basis for GHG emission reduction targets set by the Science Based Targets Initiative (SBTi). This scenario assumes stringent development of climate policies and technologies aimed at drastically reducing GHG emissions. We conduct both qualitative and quantitative analyses focusing on how these assumptions will impact our operations. Specifically, we assess the implications for our portfolio, which includes wind and solar technologies. By focusing on data sourced primarily from Europe, where available, we ensure a robust assessment of regional impacts aligned with our long-term business strategy spanning from 2014 to 2100. Uncertainties and Outcomes: Uncertainties persist regarding the precise outcomes of technological and policy advancements under the IEA B2DS scenario. These uncertainties affect the accuracy of projections

regarding temperature impacts, energy prices, and market dynamics. The scenario's assumption of rapid deployment of low-emission technologies and stringent climate policies necessitates unprecedented global cooperation and policy implementation, posing potential challenges in execution and compliance. Additionally, fluctuating natural gas prices and evolving regulatory landscapes in Europe could impact the cost dynamics and competitiveness of renewable energy sources. These uncertainties underscore the need for adaptive planning and continuous scenario analysis to effectively navigate potential disruptions and capitalize on emerging opportunities in the evolving energy landscape.

(5.1.1.11) Rationale for choice of scenario

We have also considered this transition scenario as yes focuses on hypotheses for the development of policies and technologies for limit GHG emissions. In addition, the Below 2 Degree Scenario (B2DS) developed by the International Energy Agency (IEA) is used by the Science Based Target Initiative (SBTi) to set the objectives of reducing greenhouse gas emissions

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy
☑ Market
☑ Reputation
☑ Technology
☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.0ºC - 2.4ºC

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Outline the major assumptions your organization has made regarding: Our organization has formulated its strategic planning based on the RCP 4.5 scenario, which represents a future in which moderate climate mitigation actions are taken. This scenario serves as a basis for evaluating the potential impacts of climate change on our operations. We have focused our analysis on how this scenario will affect our portfolio, which includes wind and solar technologies. By analyzing data predominantly from Europe and integrating it with global insights as needed, we ensure a comprehensive assessment of both regional and global implications. The chosen time horizon of 2000 to 2100 aligns with our long-term business strategy, facilitating proactive adaptation to climate challenges throughout the century. Hp made on the severity or intensity of the driving forces: In the RCP 4.5 scenario, our organization expects significant but moderate climate impacts. This stabilization scenario predicts an increase in global average temperature of approximately 2.4C (range 1.7-3.2C) by 2100 compared to pre-industrial levels. These changes are expected to influence the frequency and intensity of extreme weather events such as heatwaves, droughts and heavy rainfall, which particularly affect Europe. Although climate policies are more robust than RCP scenarios, the transition to renewable energy technologies may still face limitations. These assumptions guide our strategic responses to mitigate operational risks and improve resilience against climate-related challenges. Uncertainties and Outcomes Uncertainties exist regarding the availability and accuracy of regional climate data, which complicates accurately predicting climate impacts on our operations under the RCP 4.5 scenario. The pace of technological innovation in renewable and non-fossil technologies remains uncertain, potentially limiting their scalability and cost-effectiveness. Furthermore, geopolitical dynamics and regulatory frameworks can evolve unpredictably, impacting market conditions and operational strategies. These uncertainties highlight the need for adaptive planning and scenario-based strategies to address future challenges effectively and sustainably.

(5.1.1.11) Rationale for choice of scenario

We also considered this physical scenario as it shows the response of the Earth's climate to changes in atmospheric GHG concentrations

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP4

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Outline the major assumptions your organization has made regarding Our organization's strategic planning is also focused on the RCP 7.0 scenario, which depicts a future characterized by limited climate mitigation efforts. This scenario serves as a framework for evaluating the potential impacts of climate change on our operations. We have specifically analyzed how this scenario will affect our portfolio, which includes investments in wind and solar technologies. By focusing on data mainly from Europe and integrating it with global data where necessary, we ensure an in-depth assessment of regional and global implications. The selected time horizon of 2000 to 2100 aligns with our long-term business strategy, enabling proactive adaptation to climate-related challenges over the course of the century. Furthermore, we expect continued growth in greenhouse gas emissions and energy demand, driven by population growth and continued dependence on fossil fuels in the global energy mix. Hp made on the severity or intensity of the driving forces In the RCP 7.0 scenario, our organization expects pronounced climate impacts. This includes a projected average global temperature increase of approximately 3.2C (range 2.6-4.1C). These changes are expected to exacerbate extreme weather events such as heatwaves, droughts and heavy rainfall, with significant implications for Europe and beyond. Given limited climate policies, there may be challenges in the transition to renewable energy technologies, further influencing our strategic responses to mitigate operational risks and improve resilience against climate-related

challenges. Uncertainties and Outcomes: Uncertainties persist regarding the accuracy and availability of regional climate projections under the RCP 7.0 scenario, complicating our ability to accurately predict climate impacts on our operations. The pace of technological innovation in non-fossil energy technologies remains uncertain, potentially limiting their scalability and cost-effectiveness in this high-emissions future. Additionally, geopolitical factors and regulatory landscapes can evolve unpredictably, shaping market conditions and operational strategies. These uncertainties highlight the importance of adaptive planning and scenario-based strategies to effectively address future challenges and ensure sustainable business practices.

(5.1.1.11) Rationale for choice of scenario

We also considered this physical scenario as it shows the response of the Earth's climate to changes in atmospheric GHG concentrations

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy
☑ Market
☑ Reputation
☑ Technology
☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 4.0ºC and above

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Changes to the state of nature
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Cost of capital

Stakeholder and customer demands

☑ Consumer sentiment

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Outline the major assumptions your organization has made regarding: Our organization has based its strategic planning on the RCP 8.5 scenario, which depicts a future where no significant climate mitigation actions are taken. This scenario serves as a basis for understanding the potential impacts of unchecked climate change on our operations. We have specifically focused on the effects of this scenario on our portfolio, which includes wind and solar technologies. By analyzing data primarily sourced from Europe and supplementing with global data where necessary, we ensure a comprehensive assessment of regional and global impacts. The chosen time horizon of 2000-2100 aligns with our long-term business strategy, facilitating proactive adaptation to climate-related challenges over the century. Additionally, we anticipate continued growth in greenhouse gas emissions and energy demand, driven by population expansion and the persistent dominance of fossil fuels in the energy mix. Hp made on the severity or intensity of the driving forces: Our organization anticipates significant climate impacts under the RCP 8.5 scenario, including a projected average global temperature increase of 2.0 C by 2046-2065 and 3.7 C by 2081-2100. These changes are expected to amplify extreme weather events such as heat waves, droughts, and heavy precipitation, particularly affecting Europe. We foresee natural gas prices doubling by mid-century, which will likely influence the cost dynamics of fossil fuel-dependent energy generation and market competitiveness. The absence of explicit climate policies is expected to perpetuate reliance on fossil fuels, constraining the adoption of renewable energy technologies. These assumptions shape our strategic responses to mitigate operational risks and enhance resilience against climate-related challenges. Uncertainties and Outcomes: Uncertainties surround data availability and accuracy in regional climate projections, which complicates precise forecasting of climate impacts on our operations. The pace of technological innovation in advanced non-fossil technologies is uncertain, potentially limiting their cost-effectiveness and performance improvements. Moreover, geopolitical factors and regulatory landscapes may evolve unpredictably, influencing market conditions and operational strategies. These uncertainties underscore the importance of adaptive planning and scenario-based strategies to navigate future challenges effectively and sustainably.

(5.1.1.11) Rationale for choice of scenario

We also considered this physical scenario as it shows the response of the Earth's climate to changes in atmospheric GHG concentrations
[Add row]

(5.1.2) Provide details of the outcomes of your organization’s scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Briefly describe the scenario narratives used ERG has conducted an extensive analysis to understand the impacts of climate change on its business, following the TCFD guidelines. This analysis, initiated in 2019 and updated over time, considers changes in scope, such as entering new markets and exiting certain businesses. ERG's analysis incorporates physical climate scenarios (2000-2100) and transition scenarios (2014- 2100 or 2018-2040) focused on policy and technology developments to reduce GHG emissions, including the IEA's Below 2 Degree Scenario (B2DS) and Sustainable Development Scenario (SDS). In 2023, we launched an internal working group to quantitatively assess how climate change could affect the annual production of the ERG Group's Wind assets in the medium-long term. Results: Organization's business strategy and business model: ERG identified variables impacting its business as either Physical (acute and chronic) or Transitional (Regulatory, Market, Reputational, Technology). The assessment confirmed ERG's resilience and readiness to operate in a predominantly green generation model, having transitioned to a decarbonized economy. The company is poised to capitalize on opportunities generated by climate change. Financial Resources and flexibility: A significant part of ERG's financing comes from sustainable finance sources, amounting to 1,930 million euros out of a total gross debt of 2,027 million euros as of 31 December 2023.This approach to finance demonstrates ERG's commitment towards sustainability and provides the company with the financial means to invest in renewable energy projects and other climate-related initiatives. Furthermore, ERG has an ESG-linked revolving credit line with a three-year duration with the possibility of extension for a further year. This credit line amounts to 600 million euros. The ESG-linked aspect of this credit line means that the terms of the financing are linked to the achievement of certain social, environmental and governance objectives. This mechanism incentivizes ERG to continue to improve its sustainability performance, while ensuring access to financial resources. To mitigate financial risks from energy price volatility, ERG uses long-term contracts for renewable energy sales, providing financial predictability and stability. Ability to redeploy, repurpose, upgrade or decommission existing assets: In the new 100% Renewable structure, we expect a further improvement in risk management related to climate change, as strategies will be 100% focused on technological and geographical diversification (9 EU countries and USA). In order to counteract the risks arising from climate change and seize any opportunities, ERG is implementing a climate strategy integrated into the business strategy, based on the following actions: • Developing renewable energy (wind and solar) projects. • Diversifying geographically and technologically to mitigate climate impacts. • Utilizing advanced wind turbine technologies to optimize energy generation. • Monitoring regulatory developments in operating countries. • Maintaining effective stakeholder relationships. ERG also emphasizes the circular economy, aiming to reuse and recycle wind and solar components to minimize waste. Effect of current and planned investments The effect of ERG's current and planned investments in climate-related mitigation, adaptation and resilience opportunities can be analyzed through the lens of the company's transformation into a purely

renewable player. ERG has completed its transformation into a Pure Renewable Player, focusing exclusively on wind and solar energy production. This strategic shift is itself a form of climate mitigation, as the company has transitioned away from fossil fuel energy sources that contribute to climate change. ERG's investments in renewable energy (489 million by 2023) are not only a response to climate risks, but also represent a significant opportunity for resilience. For example, the geographical and technological diversification of ERG's portfolio allows it to offset the negative impacts of climate change, such as the reduction of wind energy production due to changing wind patterns. By investing in a mix of wind and solar technologies, ERG reduces its vulnerability to extreme weather events and long-term changes in climate patterns that could negatively affect renewable energy production in a particular region or technology. Furthermore, ERG recognizes the importance of technological innovation to improve resilience to climate change. The company is investing in energy storage, which it sees as a crucial solution to providing flexibility, stability and reliability to the future energy system. Finally, ERG's commitment to sustainability goes beyond its investments in renewable energy. The company is committed to managing the environmental impact of its activities throughout the entire life cycle of its assets, from design and construction to decommissioning.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:
☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:
☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:
☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

Describe what activities are included as part of your commitment and how significant they are to your organization ERG is steadfast in its commitment to achieve carbon neutrality by 2040, aiming to reach Net Zero. Central to this ambitious objective is ERG's complete cessation of fossil fuel activities within its portfolio. To bolster its transition, ERG has undertaken several pivotal initiatives. Beginning in 2008, ERG exited the refining sector definitively, redirecting its focus towards sustainable energy sources. In 2021, ERG launched an asset rotation program by divesting its hydroelectric asset, reinforcing its dedication to renewable energy. ERG's strategy encompasses substantial growth in solar and wind energy sectors, marked by significant expansions in installed capacity through diverse development approaches. The company's Business Plan outlines substantial investments in renewable energy, underpinned by a robust ESG (Environmental, Social, and Governance) strategy aimed at fostering a socially equitable green transition. These strategic actions underscore ERG's leadership in driving the transition towards a sustainable energy future. By eliminating fossil fuel-related activities comprehensively, ERG aligns with global decarbonization standards and is endorsed by the Science Based Targets initiative, demonstrating tangible commitment to environmental stewardship and long-term sustainability. Detail the timeline for implementing your commitment, and how the implementation will be monitored: ERG's commitment to achieving carbon neutrality by 2040 entails a structured timeline and rigorous monitoring framework. The company's transformation away from fossil fuels and towards renewable energy sources is a phased approach that began with the exit from the refining sector in 2008 and culminated in the sale of the thermoelectric asset in 2023. Moving forward, ERG's timeline for implementing its commitment involves strategic milestones. These include ongoing expansions in solar and wind energy capacities as outlined in its Business Plan. Quarterly and annual reviews are conducted to monitor progress against these targets, ensuring alignment with long-term strategic goals and regulatory requirements. Monitoring mechanisms include regular assessments of renewable energy project developments, financial performance reviews tied to renewable energy investments, and adherence to ESG criteria.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Key assumptions: ERG's transition plan is underpinned by several key assumptions that shape its strategic direction towards achieving carbon neutrality by 2040. Foremost among these assumptions is the anticipation of a robust and increasing demand for renewable energy. This expectation is driven by stringent international and European regulations targeting greenhouse gas emissions, coupled with enduring commitments to decarbonization from countries like Italy. Additionally, ERG assumes a favorable regulatory and policy environment will play a critical role in facilitating the success of its energy transition efforts. Technological advancements represent another key assumption. ERG is committed to advancing energy storage technologies to mitigate intermittency challenges inherent in renewables. Investments alongside collaborations with academic institutions and research centers, are pivotal in driving these technological innovations. Dependencies: ERG's transition plan is dependent on several critical factors that could influence its success. Government policies and regulations, particularly those supporting renewable energy deployment, represent significant dependencies. Cooperation from stakeholders is essential for navigating regulatory landscapes and securing project approvals in a timely manner. The availability of financial resources is another dependency. ERG plans to fund its transition primarily through proceeds from the divestment of fossil fuel assets, accessing financial markets such as green bond issuance, and attracting investments from stakeholders committed to sustainability. Furthermore, ERG's ability to manage risks and seize opportunities is crucial to the execution of its transition plan. The company's ERM framework enables it to identify, assess, and mitigate risks while remaining agile in capturing emerging opportunities within the renewable energy sector.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

ERG's ESG performance and outlines the advancements made under the industrial plan aimed at positioning ERG as a key player in the transition to a green economy. A major milestone highlighted is the sale of the CCGT thermal power plant, marking ERG's complete exit from fossil fuels and its transformation into a 100% renewable energy operator aligned with achieving net zero emissions by 2040 Activities Included in the Commitment and Their Significance: ERG's commitment encompasses several strategic activities critical to its transition plan: In 2023, ERG expanded its wind and solar installed capacity by 322 MW, reaching approximately 3.3 GW in total. This growth, driven by organic expansion and acquisitions, underscores ERG's strategic focus on renewable energy markets beyond Italy, such as France and Spain. Notably, acquisitions in these markets significantly bolstered ERG's solar capacity and reinforced its position as a major player in Europe's renewable energy sector. In addition, ERG secured four major long-term power purchase agreements (PPAs) in 2023 with leading corporate counterparts, achieving 83% of secured EBITDA. These agreements provide revenue stability amidst price volatility, exemplified by partnerships with EssilorLuxottica, STMicroelectronics, TIM (modified PPA), and Google (for the Roccapalumba greenfield project), highlighting ERG's commitment to sustainable revenue streams. Furthermore, ERG continues to integrate sustainability into its core operations, evidenced by updates to its Gender Equality Policy and Ethical Code, reflecting a commitment to fair energy transition practices. Recognition through improved ESG ratings and inclusion in the Bloomberg Gender-Equality Index underscores ERG's progress in sustainable governance and operations.Anticipating market dynamics, ERG plans to unveil a new Industrial Plan in 2024 reaffirming its dedication to renewable energy growth. Targeting an additional 600 MW to achieve a portfolio of approximately 3.9 GW by late 2024, ERG aims to solidify its leadership in the renewable energy sector. Timeline for Implementation and Monitoring: ERG's commitment to its industrial plan involves a structured approach to implementation and monitoring across several key areas. Strategic Growth remains a priority, with quarterly monitoring of efforts to expand renewable capacities through acquisitions and organic projects. These initiatives are pivotal in achieving targeted capacity expansions and enhancing market presence.Moreover, ensuring Revenue Stability is crucial, with annual assessments of Power Purchase Agreements (PPAs) to gauge revenue security levels. Strategies are adjusted periodically to mitigate market risks, safeguarding ERG's financial resilience.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

ERG_Non Financial Statement 2023.pdf,ERG_Business Plan 2024-2026.pdf,ERG_Business Plan 2024-2026_speech transcript.pdf,ERG_Science Based Targets Net Zero approval.pdf,ERG S.p.A_Net Zero Approval Letter.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

ERG's transition plan also integrates considerations for biodiversity. The company's strategy focuses on achieving consistent growth in renewable energy production while prioritizing sustainability and biodiversity preservation. ERG is committed to environmental protection and biodiversity conservation as strategic imperatives, articulated in its Code of Ethics, Sustainability Policy, and Health, Safety, and Environment (HSE) Policy. This commitment includes adhering to the "mitigation hierarchy" principle across all its facilities, aiming to avoid negative impacts on biodiversity, minimize potential harm, and resort to compensation measures only as a last resort. Before commencing construction and throughout the permitting process, ERG conducts comprehensive assessments of environmental and biodiversity impacts for all internally developed facilities. The company tailors specific biodiversity conservation measures according to the geographic context of its operations. For example, in Germany, ERG conducts environmental assessments and implements measures to reduce the risk of bird collisions with wind turbines. In Sicily,

during the repowering of wind farms, ERG implements a monitoring plan specifically designed to track resident and migratory bird populations. ERG's materiality analysis, which guides its corporate strategies, emphasizes the "Development of 100% Renewable Energy Sources aligned with EU Taxonomy" and includes evaluating "Biodiversity Impacts during permitting for our Wind & Solar plants." These initiatives underscore ERG's holistic approach to incorporating biodiversity conservation into its operational framework, ensuring alignment with sustainability objectives and regulatory standards across its operational landscapes.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Upstream/downstream value chain
☑ Investment in R&D
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Since 2018 ERG has defined its strategy towards a fully decarbonized economy, changing its business into the production of energy from renewables. As a consequence, ERG therefore took the necessary steps to initiate a new competitive process aimed at finding a new buyer for the CCGT technology, evaluating the most efficient alternative path for pursuing the strategic objective of the Business Plan of focusing on the core business of generating electricity from renewable sources by divesting ERG Power S.r.l. Furthermore, a full decarbonization goal (Net Zero) is set by 2040 and thanks to the business ERG help pursue environmental goals in particular achieving SDG 7 and SDG 13. The risk of climate change impacting on the energy sector and the opportunities arising from the change in the energy production and market habits have significantly influenced our strategy in terms of: - product demand: the full green electricity production has set ERG as a market leader in the PPA (power purchase agreement) for the big corporate and traders that want to supply / use just green energy for their production processes / resales. - Development plans and investments in renewable installations considering the scenario of RES incentives in the target countries. - Technological (2 different technologies) and geographical diversification (ERG confirmed the objective of geographical diversification with 9 countries reached in Europe and the launch of geographies such as Spain and Sweden, and of technological diversification with an increased focus on solar) This allowed ERG to limit regulatory and climate related risks (reduction of natural sources) that might happen if having plants concentrated in only one area. The strategic decisions taken by the Group are all the result of an analysis of the scenarios and cover a short (business plan) or medium-term (up to 10 years) and also long term (up to 2040) time horizon.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The risks and opportunities arising from climate change have affected ERG's supply chain strategy, that is considered a key element in achieving our sustainable development goals, in particular: - the strategic development of new installed capacity - the net zero target with 2040. The strong growth in the renewables sector, also given the strong push to decarbonization boosted by the Ukrainian war, could lead to a rush to new renewable plants with a risk of shortage of raw materials and

products for renewables within the supply chain (wind turbines and PV panels). To prevent this, ERG decided to subscribe a general contract with the main producers and suppliers in order to secure the availability of the turbines for new constructions in the next years. This strategic decision mitigates the risk related to the supply chain in the short/medium horizon (1-10 years). To achieve the Net zero target the implementation of the Sustainable Procurement project will be a key spreading our best practice in our supply chain: suppliers able to report on the emission generated by the product / services supplied to ERG will have a competitive advantage sustainability multiplicator) in the bids launched for purchases over 100k. Also, according to our ESG plan, ERG will push on its tier one supplier (having total purchases over 1million) to make them have SBT emission reduction target approved: it is expected to have at least 70% of them with SBT target approved within 2030 and more than 90% as at 2040. The value chain is not impacted due to the kind of production (green energy) - see the product row above.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Investment in R&D: Climate change impacts the energy sector through regulations, authorizations, and the demand for improved efficiency and innovation. This context presents both IRO, particularly related to the innovation of renewable energy plants and infrastructures. To address these risks and seize opportunities, ERG is exploring new business opportunities in these areas. Repowering and Revamping: Since 2017, ERG has made significant investments in the repowering of its wind plants and the revamping of its solar plants, replacing outdated technologies with the latest generation. These initiatives not only increase energy efficiency and production but also extend the useful life of the systems and reduce risks associated with obsolescence. Currently, 193 MW of wind capacity is operational, with another 82 MW under construction. ERG's diversified pipeline in Europe allows the company to opportunistically respond to market dynamics. For solar plants, the revamping of 18 facilities has been completed. Digitalization: ERG is digitalizing its wind and solar plant management, using advanced technologies like real-time analysis and AI to improve forecasts, optimize maintenance, and enhance energy management. These efforts are led by the Digital Hub under the COO. Battery Energy Storage: Large-scale energy storage systems are essential for supporting the integration of non-programmable renewable sources into the grid and optimizing the performance of renewable assets. In 2023, ERG finalized its first EPC contract for the construction of a 12.5 MW energy storage system in Sicily, with commissioning expected in the third quarter of 2025. In addition, ERG is evaluating a 200 MW battery pipeline in Europe, with projects at various stages of development, responding to opportunities created by the growing penetration of renewables. Hybridization: Hybrid plants are a key lever to increase the flexibility of renewable energy assets. ERG is developing a pipeline of over 100 MW in Italy for hybridizing its wind assets with solar power, leveraging existing grid infrastructure. This innovative approach helps mitigate risks associated with the variability of renewable sources. Open Innovation: ERG engages with working groups and

technology observatories to explore collaborations with innovative startups, seizing new market opportunities and addressing innovation-related risks. Circular Economy: ERG is committed to the sustainable management of EOL renewable assets. We collaborate with other players in the sector to develop an integrated supply chain for recycling fiberglass wind turbine blades, contributing to a circular value chain. For solar assets, ERG's Social Purpose for Solar Revamping program repurposes second-hand photovoltaic modules from revamping projects for small-scale renewable installations benefiting NGOs

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As ERG is becoming a pure renewable operator within the Business plan period, it has already a continuous decrease of the carbon index over the years. After the asset rotation, the Carbon Index is planned to become zero. Other climate-related risks that influence ERG's operations concern the possible damages to wind turbines and PV panels due to extreme weather events (e.g. heatwave and extreme wind conditions). Considering these risks ERG decided to diversify renewables technologies and target countries.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Capital expenditures

☑ Direct costs
☑ Indirect costs
☑ Access to capital
☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply
☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Context: ERG's financial planning has been significantly shaped by environmental risks and opportunities, influencing various aspects of their strategic and operational decisions. Climate-related risks and opportunities serve as critical inputs in ERG's financial planning processes, particularly concerning investment decisions and risk management strategies. The transition towards a low-carbon economy and stringent regulatory frameworks have compelled ERG to allocate substantial resources towards renewable energy investments. This strategic shift is evident in ERG's Business plan, which prioritizes the development and expansion of renewable energy capacities, predominantly in wind and solar sectors. Aligning with EU taxonomy standards ensures that ERG's investments are geared towards sustainable activities, reflecting their commitment to decarbonization and environmental stewardship. The company's capital allocation strategy has adapted to these imperatives by divesting from thermoelectric natural gas power plants and intensifying efforts in technological and geographical diversification of their renewable energy portfolio. This diversification strategy not only mitigates financial risks associated with climate impacts but also enhances operational resilience across diverse market conditions. Example: A compelling case study within ERG's financial planning is their approach to integrating sustainable finance into their business model. The updated ESG Plan emphasizes securing at least 90% of financing from 'Green' sources, reinforcing ERG's commitment to sustainable financial practices. Projects such as wind asset repowering, solar asset revamping, mini hydro developments underscore their proactive stance in enhancing energy efficiency and optimizing production capacities. The identified risks and opportunities reported in questions C3.1.1 and C3.6.1 have an impact on ERG's access to capital market because the financial system increasingly facilitates access to credit and finances projects with a positive impact in the context of mitigation and adaptation to climate change. Time horizon: ERG's financial planning horizon spans short, medium, and long terms, reflecting their strategic intent to sustainably capitalize on emerging market opportunities while managing climate-related risks effectively. This forward-looking approach includes leveraging sustainable finance instruments like Green Bonds and ESG financing to fund future renewable energy projects.
[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Methodology or framework used to assess alignment with your organization’s climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization’s climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:
☑ Yes

(5.4.1.5) Financial metric

Select from:
☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

702200000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

100

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

100

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

100

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

ERG adapted to the European taxonomy in advance of the legislation which called for alignment starting in 2022; this allowed the Group to identify the revenue aligned to the EU Taxonomy. The analysis is conducted with reference to the financial disclosure (31-12-2023). The revenues are generated from sales of electricity produced by onshore wind and photovoltaic power, in particular: • 114.7 MN are related to photovoltaic power • 587.4 MN are related to the wind power. It is noted that for the purposes of the Taxonomy, the following were excluded from the scope: the fair value of hedges (38.5 million in revenue), the contribution of the Corporate sector (0.3 million in revenue). Therefore, if the amounts excluded are added to the values present in the denominator for the calculation of alignment to the Taxonomy, the consolidated data, as represented in the Financial Statements, amount to: Revenue 740.9 million.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

485900000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

100

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

100

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

100

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

ERG adapted to the European taxonomy in advance of the legislation which called for alignment starting in 2022; this allowed the Group to identify the revenue aligned to the EU Taxonomy. The analysis is conducted with reference to the financial disclosure (31-12-2023). The Capex are generated by the investments in RES onshore Wind and Photovoltaic Power Plant, in particular: • 208.4 MN are related to photovoltaic power • 277.5 MN are related to the wind power

Row 3

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

186700000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

100

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

100

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

100

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

ERG adapted to the European taxonomy in advance of the legislation which called for alignment starting in 2022; this allowed the Group to identify the revenue aligned to the EU Taxonomy. The analysis is conducted with reference to the financial disclosure (31-12-2023). The Opex are generated by the investments in RES onshore Wind and Photovoltaic Power Plant, in particular: • 20.4 MN are related to photovoltaic power • 166.4 MN are related to the wind power
[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:
☑ Electricity generation using solar photovoltaic technology

(5.4.2.2) Taxonomy under which information is being reported

Select from:
☑ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:
☑ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☑ Turnover

☑ CAPEX

☑ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☑ Own performance

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

114700000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

16

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

16

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

208400000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

43

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

43

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

20400000

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

11

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

11

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

The Climate Delegated Act establishes, for each relevant environmental objective in Article 9 of the Taxonomy Regulation, the technical screening criteria for determining whether the economic activity in question does no significant harm to one or more of these environmental objectives. The technical criteria for 'do no significant harm' should ensure that the economic activity does not have a significant negative environmental impact. In light of the regulatory requirements, ERG

conducted an internal analysis with respect to activities 4.1 in accordance with the requirements of the Annexes to the Delegated Acts, with reference to the Substantial contribution to climate change mitigation. With regard to the above-mentioned activities, the Group simultaneously assessed: • The environmental authorisations for the plants • The list of sites affected by the installation of technologies • The analysis of chronic and acute climate-related risks and their compensation and mitigation measures • The durability of the technologies • The disposal and recyclability of equipment and components

(5.4.2.28) Substantial contribution criteria met

Select from:

☑ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The activity 'Electricity generation using solar photovoltaic technology' is aligned with Annex A of the Climate Delegated Act as it meets the following criteria: • Substantial Contribution to Climate Change Mitigation: The generation of electricity through solar photovoltaic plants significantly contributes to the reduction of greenhouse gas emissions, utilizing a renewable and sustainable energy source. • Do No Significant Harm: This technology does not produce polluting emissions during its operation and has a relatively low environmental impact compared to other energy sources. Furthermore, the management and disposal of solar panels follow strict environmental standards to ensure the minimization of harm. • Respect for Social Safeguards: Operations related to the installation and maintenance of solar photovoltaic plants must respect workers' rights and safety standards, in line with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. In summary, the activity of electricity generation using solar photovoltaic technology conforms to the objectives and requirements outlined in Annex A of the Climate Delegated Act, significantly contributing to the transition to a low-carbon economy while ensuring environmental protection and respect for human and social rights.

(5.4.2.30) Do no significant harm requirements met

Select from:

☑ Yes

(5.4.2.31) Details of do no significant harm analysis

In light of the regulatory requirements, ERG conducted an internal analysis with respect to activities 4.1 in accordance with the requirements of the Annexes to the Delegated Acts, with reference to the Substantial contribution to climate change mitigation. With regard to the above-mentioned activities, the Group simultaneously assessed: • The environmental authorisations for the plants • The list of sites affected by the installation of technologies • The analysis of chronic and acute climate-related risks and their compensation and mitigation measures • The durability of the technologies • The disposal and recyclability of equipment and components From the analysis carried out by the Group, on the basis of the guidelines available today and with the commitment to monitor the regulatory and interpretative evolution in relation to the DNSH criteria and to further improve its compliance with the regulator's requirements, activity 4.1 Electricity generation using solar photovoltaic technology.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☑ Yes

(5.4.2.33) Attach any supporting evidence

ERG_Non Financial Statement 2023.pdf

Row 2

(5.4.2.1) Economic activity

Select from:

☑ Electricity generation from wind power

(5.4.2.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

☑ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

☑ Turnover

☑ CAPEX

☑ OPEX

(5.4.2.5) Types of substantial contribution

Select all that apply

☑ Own performance

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

587400000

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

84

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

84

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0

(5.4.2.13) Taxonomy-aligned CAPEX from this activity in the reporting year (currency)

277500000

(5.4.2.14) Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

57

(5.4.2.15) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

57

(5.4.2.16) Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

0

(5.4.2.20) Taxonomy-aligned OPEX from this activity in the reporting year (currency)

166400000

(5.4.2.21) Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

89

(5.4.2.22) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

89

(5.4.2.23) Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

0

(5.4.2.27) Calculation methodology and supporting information

The Climate Delegated Act establishes, for each relevant environmental objective in Article 9 of the Taxonomy Regulation, the technical screening criteria for determining whether the economic activity in question does no significant harm to one or more of these environmental objectives. The technical criteria for 'do no significant harm' should ensure that the economic activity does not have a significant negative environmental impact. In light of the regulatory requirements, ERG conducted an internal analysis with respect to activities 4.3 in accordance with the requirements of the Annexes to the Delegated Acts, with reference to the Substantial contribution to climate change mitigation. With regard to the above-mentioned activities, the Group simultaneously assessed: • The environmental authorisations for the plants • The list of sites affected by the installation of technologies • The analysis of chronic and acute climate-related risks and their compensation and mitigation measures • The durability of the technologies • The disposal and recyclability of equipment and components

(5.4.2.28) Substantial contribution criteria met

Select from:

☑ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

The activity 'Electricity generation from wind power' is aligned with Annex A of the Climate Delegated Act as it meets the following criteria: • Substantial Contribution to Climate Change Mitigation: The generation of electricity through wind power plants significantly contributes to the reduction of greenhouse gas emissions, utilizing a renewable and sustainable energy source. Wind turbines produce electricity without burning fossil fuels, thereby reducing dependence on high-carbon energy sources. • Do No Significant Harm: This technology does not produce polluting emissions during its operation and has a relatively low environmental impact compared to other energy sources. Wind power plants are designed and managed following strict environmental standards to minimize the impact on wildlife, flora, and landscapes. Additionally, the management and disposal of wind turbines and related infrastructure follow sustainable practices to ensure the minimization of environmental harm. • Respect for Social Safeguards: Operations related to the installation and maintenance of wind power plants must respect workers' rights and safety standards, in line with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. Furthermore, the involvement of local communities and respect for their rights are integral parts of the planning and management of wind power plants. In summary, the activity of electricity generation from wind power conforms to the objectives and requirements outlined in Annex A of the Climate Delegated Act, significantly contributing to the transition to a low-carbon economy while ensuring environmental protection and respect for human and social rights.

(5.4.2.30) Do no significant harm requirements met

Select from:

☑ Yes

(5.4.2.31) Details of do no significant harm analysis

In light of the regulatory requirements, ERG conducted an internal analysis with respect to activities 4.3 in accordance with the requirements of the Annexes to the Delegated Acts, with reference to the Substantial contribution to climate change mitigation. With regard to the above-mentioned activities, the Group simultaneously assessed: • The environmental authorisations for the plants • The list of sites affected by the installation of technologies • The analysis of chronic and acute climate-related risks and their compensation and mitigation measures • The durability of the technologies • The disposal and recyclability of equipment and components From the analysis carried out by the Group, on the basis of the guidelines available today and with the commitment to monitor the regulatory and interpretative evolution in relation to the DNSH criteria and to further improve its compliance with the regulator's requirements, activity 4.3 Electricity generation from wind power are currently aligned with the EU Taxonomy.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☑ Yes

(5.4.2.33) Attach any supporting evidence

ERG_Non Financial Statement 2023.pdf
[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.1) Details of minimum safeguards analysis

Informations: ERG carried out an analysis to assess whether the structure and internal processes involved are adequate to safeguard and comply with the minimum safeguards. In this regard, the non-binding opinion of the Platform on Sustainability Finance (PSF) was taken as a reference. It was therefore possible to analyse the company's processes and regulatory documents to assess their compliance with the PSF opinion. The Code of Ethics, as well as the Human Rights Policy, the Anticorruption Policy, the Tax Strategy and other policies and procedures, define the principles that the Group integrates into its business strategy and ensure the protection of all the stakeholders with whom it interacts. The analysis carried out made it possible to reach the conclusion that ERG conducts its activities in compliance with the minimum safeguards, as prescribed by art. 18 of EU Reg. 852/2020

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

In order to support the achievement of the objectives of the European Green Deal, recognising the importance of the financial sector and with the aim of combating greenwashing, the European Union included Regulation EU 2020/852 (known as the EU Taxonomy) in the 2018 Action Plan, which establishes the criteria for determining whether an economic activity can be considered environmentally sustainable. According to the Taxonomy, an economic activity is considered sustainable if: contributes substantially to one or more of the EU's six environmental objectives; it respects the principle of "Do No Significant Harm" (DNSH), i.e. does not harm any of the other objectives; it presents minimum safeguard requirements in order to comply with the OECD guidelines for multinational companies and the UN Guiding Principles on business and human rights. Also, for 2023, following the 'by technology' approach used in the Directors' Report of the Annual Report, we examined the impact of the ERG Group's businesses Assumption to determine the alignment: ERG has adopted a "by technology" approach to examine the impact of its businesses, focusing on activities 4.1 (electricity production using solar photovoltaic technology) and 4.3 (electricity production from wind energy). This approach implies that the suitability of the Taxonomy has been assessed at the technology level The DNSH ("Do No Significant Harm") technical analysis took into account specific factors such as environmental permits, climate risk analysis, durability of technologies and recyclability of components. Suitability in this case is based on the evaluation of these factors, which vary from plant to plant. ERG also conducted a preliminary exercise to determine dual materiality, considering both impact and financial materiality. This approach implies that Taxonomy suitability is not just a matter of technical compliance, but also takes into account financial impacts and stakeholder expectations. The assessment of financial materiality, although based on specific criteria, can be influenced by projections and scenario analyzes that contain elements of hypotheses. Finally, it is underlined that ERG avoided double counting as consolidated data were used net of intercompany eliminations

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:
☑ Yes
[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

Innovation is essential for sustainable development. Therefore, ERG has established the Innovation Projects Department, reporting directly to the Chief Operations Officer. This department's mission is to coordinate cross-functional innovative projects within the organization, monitor the most promising market trends and technological advancements, and identify opportunities that offer the highest potential for profitability and sustainability in the short to medium term. The innovation initiatives are organized around five strategic pillars: 1. Recharge Project: In 2022, ERG entered the Italian energy storage market with two projects in the authorization phase. These projects are located near our operating wind farms in Ginestra degli Schiavoni, Campania (10MW), and Vicari, Sicily (12MW) 2. Floating Wind Power: ERG is exploring potential initiatives within Italy to participate as co-developers with other industrial partners. This effort includes technological and market-level monitoring, along with technical studies and research to enhance internal expertise. 3. Green Hydrogen: ERG is identifying initiatives and partners to supply renewable energy for the production of green hydrogen. 4. Digitization: ERG is focused on advancing the digital management systems for its wind and solar plants. 5. Circular Economy: Aligning with ERG's ESG goals, this activity focuses on the recycling or reuse of end-of-life wind turbine blades and refurbished photovoltaic modules. In 2023, ERG conducted an in-depth analysis to understand the potential for hybridization within its portfolio, leveraging the grid connections of existing assets. This analysis identified favorable sites for a potential first hybridization project. In 2024, ERG will continue to evaluate the potential of hybrid technology and implement a pilot project in Italy.
[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:

☑ Battery storage

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.7.3) Average % of total R&D investment over the last 3 years

0

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

8

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Innovation is the cornerstone of sustainable development, and ERG has established the Innovation Projects Department, which reports directly to the Chief Operations Officer. ERG entered the Italian storage market in 2022, with two projects currently in the authorization phase near its operational wind farms in Ginestra degli Schiavoni, Campania (10MW), and Vicari, Sicily (12MW). These projects represent an innovative approach by integrating wind farm management with battery storage. In other European countries where ERG operates, the company is exploring potential investment opportunities in storage, aligning with its business plan that aims for an additional 150 MW of projects by 2026. Additionally, ERG is investigating recent advancements in storage technologies to complement its wind and solar assets. The focus is on identifying early-stage alternatives to conventional lithium-ion batteries that can achieve industrial maturity in the short term and be deployed at a utility scale with a reduced environmental impact.

Row 2

(5.5.7.1) Technology area

Select from:

☑ Other, please specify :Floating offshore wind

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Large scale commercial deployment

(5.5.7.3) Average % of total R&D investment over the last 3 years

15

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

37546

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

16

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

ERG carried out an in-depth study at the technological, regulatory and market level aimed at assessing floating offshore wind power overall. With particular reference to Italy, the competitive context and the reference regulatory framework were addressed; moreover, a detailed analysis was carried out on some projects under development. At the same time, the framework of the Italian supply chain was considered and the aspects relating to development activities and costs were examined, as well as the investments necessary for the implementation of this type of project. In addition, ERG actively participated in inter-association groups (ANEV) and engaged in constructive dialogue with other industrial entities of interest. After a careful assessment, we opted to monitor the evolution of the market, refraining from commitments in development initiatives in the short term.

Row 3

(5.5.7.1) Technology area

Select from:

☑ Other, please specify :Circular Economy

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Large scale commercial deployment

(5.5.7.3) Average % of total R&D investment over the last 3 years

43

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

110000

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

17

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

ERG is attentive to the circular economy and in this regard within its Business Plan it includes precise targets with specific objectives such as achieving a circularity rate equal to or greater than 98% for wind and 90% for solar. These objectives are directly linked to the incentive systems for top management, demonstrating ERG's concrete commitment to circularity. In the context of wind repowering, the plant modernization process offers significant opportunities for the recovery and reuse of materials. In 2023, during the dismantling of 88 wind turbines, 69% of the turbines were sold on the second-hand market, mainly in other EU countries and Turkey, thus promoting the reuse of turbines in new contexts. The remaining 31% of the turbines were retained for reuse of components as spare parts in its own plants or in other repowering projects, maximizing the life cycle of the materials. ERG is actively involved in finding end-of-life solutions for fiberglass wind turbines, a material notoriously difficult to recycle. In collaboration with Elettricità Futura and ANEV, ERG participates in an inter-association working group to promote dialogue with institutions on the definition of clear rules for the treatment of wind turbine blades at the end of their life and the recognition of their "end of waste" status ". Furthermore, the Wind New Life project sees ERG collaborate with other industry leaders and a company specialized in waste treatment to create an experimental plant for the treatment of wind turbine blades. The objective is to create an integrated supply chain in Italy for the recycling and reuse of materials, involving both producers and recycling operators. In 2023, the project obtained funding from the PNRR for the construction of the plant. Furthermore, four decommissioned wind turbines have been donated to a company participating in a European research project to develop innovative solutions for the reuse of composite materials in new high-value-added products, with pilot-scale tests planned for 2024. The revamping projects of ERG's solar parks also follow the principles of the circular economy. Solar modules that are no longer functional or damaged are given to specialized consortia for the recovery of materials, while the modules that are still efficient are reused in projects with a social purpose, such as the "SOCIAL PURPOSE FOR SOLAR REVAMPING" project, which promotes access to solar energy in social contexts.

Row 4

(5.5.7.1) Technology area

Select from:

☑ Other, please specify **:**Digitalization

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Large scale commercial deployment

(5.5.7.3) Average % of total R&D investment over the last 3 years

38

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

95500

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

47

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Our goal is to implement advanced digital tools that enhance wind and solar production forecasts, optimize predictive maintenance, and streamline energy management processes. In 2023, we continued our collaboration with the Italian Technology Institute to develop an in-house production predictor, which is currently being tested at four wind power plants. Additionally, we initiated a project to create an advanced analytics platform aimed at consolidating various business systems. This platform will facilitate the autonomous development of applications by the business through low-code/no-code solutions, thereby simplifying processes and accelerating technological and procedural changes.

Row 5

(5.5.7.1) Technology area

Select from:

☑ Other, please specify :Green Hydrogen

(5.5.7.2) Stage of development in the reporting year

Select from:

☑ Applied research and development

(5.5.7.3) Average % of total R&D investment over the last 3 years

4

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

10000

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

12

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

ERG is actively seeking initiatives and partners to supply renewable energy for green hydrogen production. The company is also eager to participate in pilot projects to gain expertise and establish a foothold in this crucial area for the energy transition. By engaging in these pilot projects, ERG aims to develop the necessary skills and technological know-how to effectively contribute to the growing green hydrogen sector, which is vital for achieving long-term sustainability goals and reducing carbon emissions. Furthermore, ERG plans to collaborate with leading industry players and research institutions to explore innovative solutions and accelerate the development of green hydrogen technologies, ensuring alignment with global decarbonization efforts.
[Add row]

(5.7) Break down, by source, your organization’s CAPEX in the reporting year and CAPEX planned over the next 5 years.

Coal – hard

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Lignite

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Oil

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Gas

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Sustainable biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Other biomass

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Waste (non-biomass)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Nuclear

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Geothermal

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Hydropower

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Wind

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

277500000

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

57

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

71

(5.7.4) Most recent year in which a new power plant using this source was approved for development

2022

(5.7.5) Explain your CAPEX calculations, including any assumptions

The amount of CAPEX in the reporting year for power generation derives from the Financial report. It is related to new plants acquisitions, constructions and to the reblading project. In particular, the specific investment (277.5 million) was considered and compared to the total investments in 2021 (485.9 million). The percentage obtained is therefore 277.5 / 485.9x100 57% The planned CAPEX over the next 5 years for this source was derived from the evolution of capex over the period covered by the business plan. Specifically, out of the projected total of 1182 M, 840 M is expected to be allocated to wind technology. Doing the ratio of the total capex expected for the next 5 years (1182 M) to the estimated capex for wind (840 M) resulted in the following: 1182/84071%

Solar

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

208400000

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

43

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

29

(5.7.4) Most recent year in which a new power plant using this source was approved for development

2022

(5.7.5) Explain your CAPEX calculations, including any assumptions

The evaluation of the CAPEX in the reporting year for power generation from this source is evaluated as % of total CAPEX for power generation in the reporting year. In particular, the specific investment (208.4 million) was considered and compared to the total investments in 2023 (485.9 million). The percentage obtained is therefore 208.4 million /485.9 million x100 43% The planned CAPEX over the next 5 years for this source was derived from the evolution of capex over the period covered by the business plan. Specifically, out of the projected total of 1182 M, 342 M is expected to be allocated to wind technology. Doing the ratio of the total capex expected for the next 5 years (1182 M) to the estimated capex for wind (342M) resulted in the following: 1182/34229%

Marine

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Fossil-fuel plants fitted with CCS

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable

Other renewable (e.g. renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Hydrogen expenses are reported as OPEX and are related to the scouting activities in the renewable hydrogen business

Other non-renewable (e.g. non-renewable hydrogen)

(5.7.1) CAPEX in the reporting year for power generation from this source (unit currency as selected in 1.2)

0

(5.7.2) CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year

0

(5.7.3) CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years

0

(5.7.5) Explain your CAPEX calculations, including any assumptions

Not applicable
[Fixed row]

(5.7.1) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Row 1

(5.7.1.1) Products and services

Select from:
☑ Other, please specify **:**Renewable plant

(5.7.1.2) Description of product/service

Overview of the Product and Service ERG is actively investing in the refurbishment of its wind and solar plants to enhance efficiency and increase energy production. These efforts aim to introduce innovative technological solutions that can optimize the performance of existing renewable energy infrastructure. Recognizing the critical role of energy storage in supporting intermittent renewable sources, ERG is advancing the "Recharge Project" and constructing a lithium-ion battery in Sicily. These initiatives underscore ERG's commitment to exploring energy storage technologies, potentially leading to new offerings in energy management solutions. In the green hydrogen sector, ERG is exploring opportunities to strategically position itself within the value chain. This exploration could result in the development of new products or services related to green hydrogen production and distribution, contributing to sustainable energy solutions. Additionally, ERG is assessing the potential of hybrid power plants that integrate solar and wind energy sources ("Hybrid Power Plants"). With initial pilot projects planned in Italy, ERG aims to pioneer innovative solutions in renewable energy generation. Expected Energy Production and/or Energy Savings and Stage of Implementation The Group achieved significant milestones in its decarbonization strategy and growth of the renewable energy portfolio, increasing installed capacity by 322 MW, including 56 MW from wind power through operations repowering in Italy. Simultaneously, ERG is advancing in energy storage with projects like the Recharge Project, which involves constructing a lithium-ion battery in Sicily. In parallel, ERG is exploring opportunities in the green hydrogen market to innovate within the hydrogen value chain. Furthermore, the evaluation of hybrid power plants combining solar and wind technologies demonstrates ERG's commitment to diversifying renewable energy generation. Initial pilot projects in Italy will assess feasibility and scalability, potentially unlocking synergistic benefits from hybridized energy sources. These initiatives span various stages of implementation, from initial exploration to full-scale deployment, highlighting ERG's dedication to driving the energy transition agenda forward with innovative solutions.

(5.7.1.3) CAPEX planned for product/service

3500000000

(5.7.1.4) Percentage of total CAPEX planned for products and services

100

(5.7.1.5) End year of CAPEX plan

2026
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Implicit price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive energy efficiency

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment to scientific guidance

☑ Price with substantive impact on business decisions

(5.10.1.4) Calculation methodology and assumptions made in determining the price

To calculate the internal carbon price, the Group used its own energy consumption and the cost incurred for the purchase of electricity Through this methodology it is in fact possible to evaluate the economic impact of carbon emissions associated with energy consumption and therefore encourage more sustainable practices. First

of all, the organisation's energy consumption was recorded starting from the reporting carried out for the publication of the GRI within the Sustainability Report. Once consumption was known, these quantities (expressed in kWh) were multiplied by specific emission factors (Location Based approach) to obtain the tCO2 emissions avoided by the organization in the reporting year. Subsequently, the cost incurred for the purchase of electricity was obtained using the value made available by the GSE as the value expressed in /kWh. Finally, the internal carbon price was calculated by dividing the total cost resulting from the purchase of electricity by the emissions avoided

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

372

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

372

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Operations

☑ Remuneration

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

2

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Detailing the Process for Monitoring and Evaluating the Carbon Price: Monitoring and evaluating ERG's internal carbon price is a crucial aspect of our sustainability strategy. We approach this process with a commitment to transparency and effectiveness. Annually, we conduct a thorough review of our internal carbon pricing mechanisms and we public disclose its values in che CDP questionaries. By analyzing emissions data across Scope 2 categories, and considering market prices for carbon credits where applicable, we ensure that our internal carbon price reflects current environmental and economic realities. Contribution of the Internal Carbon Price to Key Business Decision-Making Processes: ERG's internal carbon price plays a pivotal role in shaping our business decisions, particularly in strategic areas such as investment and project planning. It serves as a guiding principle that directs our investments towards renewable energy and energy efficiency projects. This ensures that our financial allocations are not only economically viable but also contribute significantly to our sustainability objectives. Moreover, the internal carbon price influences our operational practices and technology choices, driving us towards solutions that minimize carbon intensity and enhance operational efficiency. By embedding carbon costs into our decision-making processes, we uphold our commitment to sustainable growth and resilience in a carbon-constrained world. Contribution to ERG's Climate Transition Plan: The internal carbon price is a cornerstone of ERG's comprehensive climate transition plan. It acts as a catalyst for achieving our emission reduction targets by incentivizing proactive measures across our operations. Beyond regulatory compliance, the internal carbon price anticipates future environmental policies and market dynamics, positioning ERG as a leader in sustainability within the energy sector. By transparently applying the internal carbon price, we strengthen stakeholder engagement and trust, demonstrating our dedication to environmental stewardship and long-term value creation. This integrated approach not only mitigates our environmental impact but also fosters innovation and resilience, ensuring that ERG remains at the forefront of sustainable energy practices.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:
☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The materiality of suppliers is defined through a coefficient called "K for sustainability". This rewarding element, used in tenders over 100k, evaluates the suppliers' ability to meet ESG criteria. For environmental issues, evaluate the presence of a carbon footprint calculation model and the supplier's commitment to reducing it. Suppliers must comply with applicable regulations. Those with inadequate performance may face corrective action, suspension or be placed on a Blacklist.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:
☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

27
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:
☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply
☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

The criterion selected in column 2 was developed to ensure that the selected suppliers have a significant and measurable impact on climate change and can be effectively managed to reduce this impact. Identifying suppliers with significant dependencies and impacts on the climate allows you to mitigate environmental risks related to the supply chain, as these suppliers are often responsible for a considerable part of greenhouse gas emissions (Scope 3). The continuous evaluation of carbon emissions and the commitment to reduction promote a constant improvement in environmental performance, encouraging suppliers to develop and implement carbon footprint calculation models and emission reduction plans, aligning with international sustainability standards. Ensuring that suppliers comply with all applicable environmental regulations is essential to avoid legal sanctions and reputational damage, demonstrating responsibility and integrity, and strengthening their trustworthiness as business partners. Ranking and managing suppliers based on their impact on climate change supports the company's decarbonisation goals, contributing to the overall reduction of the carbon footprint of the entire supply chain.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:
☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:
☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

The non-compliance policy of ERG outlines the procedures for addressing violations once identified. It includes evaluating the severity of the non-compliance, investigating the issue, and implementing corrective actions. Suppliers are required to undertake corrective measures to resolve non-compliance issues, and potential sanctions for serious or repeated violations may include contract suspension or termination of the business relationship.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Setting a science-based emissions reduction target

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 26-50%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ Less than 1%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

All suppliers undergo a global reputation assessment, which includes monitoring of several aspects, including environmental and climate risk. The qualification of suppliers considers a technical, organisational, economic-financial and ESG evaluation, with an overall score assigned. A more in-depth ESG assessment is then carried out annually for strategic suppliers. All major suppliers included in the Sustainable Procurement Project (with a total spend exceeding 1 million) are required to establish a science-based emissions reduction target. This requirement is part of the Group's ESG plan, which requires at least 75% of major suppliers (of total spend) to have an SBTi-approved SBT by 2030 and at least 90% by 2040. This requirement is monitored internally of the purchasing process via the Supplier Qualification Database as part of the sustainable sourcing project. Starting from 2021, a bonus coefficient linked to the ESG rating has been introduced in tenders exceeding 100,000 euros. The ability of suppliers to respect good governance, human rights and equal opportunities for workers, and to be attentive to social, environmental, health and safety at work and management aspects of their suppliers, has become a rewarding element in awarding of contracts. The introduction of the "Sustainability K" coefficient, in addition to being a concrete recognition for suppliers who share our sustainable growth path, has certainly contributed to the significant increase in the ESG rating

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Measuring product-level emissions

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Other, please specify **:**ERG verifies the documentation sent by the suppliers and checks the correctness of the technical information and LCA-related data reported in these documents

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 26-50%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Suspend and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ Less than 1%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

All major suppliers included in the Sustainable Procurement Project must provide the life cycle analysis (LCA) and carbon footprint of new projects implemented or products supplied to the ERG group. These requirements are part of the tender process and must be reported at the end of the construction works or upon delivery of the product.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Financial incentives

☑ Feature environmental performance in supplier awards scheme

Innovation and collaboration

☑ Collaborate with suppliers on innovations to reduce environmental impacts in products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Rationale for Employing This Engagement ERG's supplier engagement strategy focuses on guiding suppliers through an energy transition where ESG issues are integral to their growth. In line with this sustainable approach, ERG launched the "Sustainable Procurement Project" to analyze suppliers and identify key areas in the supply chain affected by ESG risks. Suppliers are categorized by dimensions and product group, and a risk matrix identifies impact areas, levels of ESG risk, and company tools to manage these risks.To maintain a high standard, ERG constantly monitors suppliers through a vendor rating system. Since 2020, a dashboard has been in place that compiles technical performance ratings from internal departments, along with economic and compliance indicators acquired through public portals. The ESG rating contributes to an updated risk profile of suppliers. Supporting Vulnerable Suppliers ERG conducted interviews with companies of various sizes, including both new suppliers and those previously audited. As part of the sustainability evaluation, suppliers were asked to provide evidence on: - Company management; - Respect for human rights and equal opportunities for workers; - Social, environmental, safety, and health aspects at work; - Management of sub-suppliers and sub-contractors. This comprehensive assessment helps vulnerable suppliers identify areas for improvement and provides them with the necessary support to enhance their environmental practices. Positive Outcomes The audit campaign aimed at identifying areas for improvement has yielded positive results. In the 2023 campaign, no "non-compliances" were found; instead, there were only "Opportunities for Improvement". Many suppliers seized these opportunities, resulting in increased scores in subsequent surveys. Suggestions can be implemented within 12 months of detection, ensuring continuous improvement. Criteria for Success Success is measured using several key metrics: - Technical performance ratings; - Economic and compliance indicators; - ESG rating. These metrics are selected to provide a comprehensive view of each supplier's performance and risk profile. Suppliers with inadequate performance are identified and required to implement corrective actions, ensuring continuous improvement. The audit results, particularly the increase in scores among the suppliers subjected to checks, serve as a tangible measure of the effectiveness of these engagement activities.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**SBTi target approved

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

ERG's engagement with its customers is a crucial aspect of its strategy, aiming to build strong, long-lasting relationships with the companies it supplies with green energy. The primary objective of ERG is to ensure customer satisfaction by offering high-quality renewable energy and excellent service. This engagement stabilizes ERG's energy sales revenues through long-term agreements (Power Purchase Agreements or PPAs) with industrial customers, large enterprises, and utilities. These contracts provide customers with stable green energy prices, allowing ERG to plan investments and contribute to the energy transition. ERG commits to clear, complete, and timely communication with customers, from contract negotiation to billing management, fostering trust and transparency. By promptly responding to customer requests and efficiently resolving issues, ERG ensures a high level of service satisfaction. Starting in 2023, ERG implemented a survey to monitor satisfaction among its Corporate and Utility customers. The survey covers key interaction areas, such as contract negotiation, responsiveness, communication quality, data accuracy, billing management, and problem resolution efficiency. The survey results are used to continually improve the services offered. Through these initiatives, ERG aims to establish a trust-based and collaborative relationship with its customers, rooted in transparency, reliability, and a shared commitment to environmental sustainability.

(5.11.9.6) Effect of engagement and measures of success

*ERG's engagement with its customers has led to the signing of four significant long-term Power Purchase Agreements (PPAs) in 2023 with major corporate counterparts: - EssilorLuxottica: A 12-year agreement for approximately 70 GWh/year from the repowered Partinico-Monreale wind farm. - STMicroelectronics:** A 15-year agreement for around 260 GWh/year from the repowered Camporeale and Mineo-Militello-Vizzini wind farms. - TIM:An updated PPA from 2021, adding 200 GWh/year of clean energy for the period 2023-2031. - Google: A 20-year "pay as produced" PPA for 100 GWh/year from the greenfield Roccapalumba wind farm in Sicily. These agreements have contributed to achieving an 83% securitized EBITDA, aligning with the Industrial Plan's target of an 85-90% quasi-regulated EBITDA. The primary goal of these agreements is to stabilize ERG's energy sales revenues, neutralizing the impact of price volatility. Additionally, these contracts allow counterparts to secure energy at stable prices and reduce their Scope 2 emissions. The most crucial impact of ERG's customer engagement is through these PPAs, which enable the Group to meet its ESG targets in terms of renewable energy production and corresponding CO2 emissions avoided. Success is also measured by the increasing number of customers willing to enter into contracts with ERG, reflecting a growing commitment to sustainability.*

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Shareholders and investors were selected for engagement because they play a critical role as strategic partners in driving positive change in business practices, especially regarding environmental, social, and governance (ESG) issues. Given the growing focus on sustainability in investment decisions, ERG recognizes the importance of maintaining transparency in its ESG performance to build and sustain investor trust, attract essential capital, and align its business strategy with the expectations of the financial community. By consistently sharing detailed information on products, certification schemes, environmental initiatives, and sustainability progress, ERG not only reinforces investor confidence but also positions itself as a leader in the energy transition. Engagement with these stakeholders is carried out through meetings, roadshows, press releases, and participation in conferences, where ERG highlights its transformation into a 'wind & solar' business model, demonstrating its commitment to advancing ESG goals and distinguishing itself from competitors

(5.11.9.6) Effect of engagement and measures of success

The engagement with investors and shareholders has yielded significant positive outcomes, particularly in reinforcing ERG's position as a leader in sustainable energy. Through transparent communication and regular updates on ESG (Environmental, Social, and Governance) performance, ERG has successfully enhanced investor confidence, attracting a higher percentage of Socially Responsible Investors (SRIs). Criteria for measuring success include: - Percentage of SRIs among engaged investors: This metric is crucial as it directly reflects the alignment of ERG's sustainability initiatives with investor priorities. - Number of investor meetings and roadshows: Tracking the frequency and reach of these engagements helps assess the depth and breadth of ERG's investor relations efforts. - Investor feedback on ESG initiatives: Qualitative feedback from investors during these engagements serves as a vital measure of the perceived effectiveness and credibility of ERG's ESG strategies. These metrics were selected to ensure that ERG's engagement with investors is not only robust but also directly contributes to long-term financial stability and sustainability leadership.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Local communities & Youth, social and cultural activities

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Local communities & Youth are included in the group's engagement because they are seen as a strategic lever to promote positive change in relation to environmental issues. In particular the new generations, as strategic partners to address the challenges of the climate crisis and promote the energy transition towards renewable energy. Engagement with these communities takes the form of education and information activities on environmental risks, as well as collaborations aimed at developing innovative solutions to reduce environmental impacts. This approach is essential to raise awareness among the new generations on the urgency of the climate crisis and the importance of the role of renewable energy. By providing young people with the necessary tools and skills, ERG stimulates their active participation in the energy transition, creating shared value and strengthening the company's reputation as a responsible leader committed to building a sustainable future. These engagement activities include educational programs, workshops, and partnerships with schools and universities, which help promote innovation and attract new talent

(5.11.9.6) Effect of engagement and measures of success

ERG's engagement with local communities and youth has been instrumental in raising environmental awareness and fostering a culture of sustainability. Educational programs and collaborative projects have empowered young people with the knowledge and skills necessary to actively participate in the energy transition. These initiatives have also strengthened ERG's reputation as a responsible corporate citizen committed to creating shared value. Criteria for measuring success include: -

Number of participants in educational programs and workshops: This metric measures the reach and impact of ERG's educational efforts within communities.

- *Level of awareness and engagement on environmental issues among young participants: Surveys and feedback from participants are used to assess the*

effectiveness of these programs in raising environmental consciousness. - Partnerships established with educational institutions: The number and quality of partnerships with schools and universities indicate ERG's success in fostering long-term relationships that support innovation and talent development. These measures were selected to ensure that ERG's engagement activities with communities and the next generation are effective in building a sustainable future and in cultivating the next generation of leaders in the renewable energy sector.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

ERG has selected the financial control approach for consolidating its environmental data, ensuring oversight over environmental performance through financial metrics. This strategy allows ERG to effectively implement environmental policies, track financial impacts, and make informed decisions to minimize environmental impacts, in accordance with the GHG Protocol Corporate Standard. By integrating environmental considerations into financial policies, ERG ensures that its activities align with sustainability goals. This approach has been used for many years, supporting the development of effective environmental management processes and transparent financial reporting. The financial control approach aligns well with ERG's organizational structure, enabling consistent and accurate financial data collection across various entities. This consistency is crucial for evaluating environmental performance over time and assessing the effectiveness of environmental policies. Additionally, it allows for timely responses to environmental issues by leveraging financial insights to drive immediate actions. Through this approach, ERG takes full responsibility for its environmental performance, enhancing transparency and communication with stakeholders through a clear financial perspective.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

A financial control-based approach to the assessment of plastics could be the most representative for the Group. Currently, ERG does not adopt a systematic financial control-based approach to the assessment of this topic. Since this topic is not considered relevant, no assessment plan is planned for the coming years.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

A financial control-based approach to the assessment of biodiversity could be the most representative for the Group. Currently, ERG does not adopt a systematic financial control-based approach to the assessment of this topic.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ European Union Emission Trading System (EU ETS): The Monitoring and Reporting Regulation (MMR) – General guidance for installations

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Scope 2 emissions from energy consumption are generated by the purchase of electricity from the national grid and is used to operate plants during their idle time and for the Headquarters' building services.Following the policy approved by the Sustainability Committee in 2016, ERG purchases energy produced from certified renewable sources (where technically possible).In addition, ERG commits to purchase 100% of electricity certified as renewable through Guarantee of Origin by 2030. [Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

1147939.0

(7.5.3) Methodological details

Scope 1 emissions are mainly generated by the CCGT, which are certified by third parties according to the EU-ETS scheme (1,148 kt in 2020 – emission factor of about 0.398 ktCO2/GWhe). Other Scope 1 emissions are generated by: - SF6 (sulphur hexafluoride) leaks from some high voltage equipment; - F-gas (fluorinated gases) leaks from air conditioning systems; - the use of company vehicles. The Scope 1 emission factors are provided by DEFRA 2020 "UK Government – GHG Conversion Factors for Company Reporting" related to fuels and fugitive emissions. The values related to these other emissions (0.5 kt) are considered not material (0.04%). The new base year (updated from CDP CC 2020) is consistent with the targets submitted to SBTi.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

14168.0

(7.5.3) Methodological details

Scope 2 emissions are originated by Group's plants (CCGT, wind, hydro and solar) and offices due to the energy purchased. The total is the sum of the emissions of each country calculated multiplying the quantity of electricity purchased for the specific country's emission factor published by TERNA (the Italian grid operator). The base year (updated from CDP CC 2020) is consistent with the targets submitted to SBTi.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

1342.0

(7.5.3) Methodological details

The marked based approach reflect the Sustainability Committee policy adopted in 2016 that requires that all our energy needs should be covered with green energy (where technically feasible). Scope 2 emissions are originated by Group's plants (CCGT, wind, hydro and solar) and offices due to the energy purchased. The total is the sum of the emissions of each country calculated multiplying the quantity of electricity purchased not certified as from renewable sources (i.e. guarantees of origin certified) for the specific country's emission factor published by TERNA (the Italian grid operator). The base year (updated from CDP CC 2020) is consistent with the targets submitted to SBTi and the approach reflects the SBT commitment made by ERG to purchase 100% of electricity certified as renewable electricity by 2025.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

25676.0

(7.5.3) Methodological details

The Group's purchased good and services for the year 2020 were divided into NACE categories (general classification system used to standardize economic/industrial activities in the European Union) and multiplied by the corresponding emission factors provided by Eurostat. Eurostat provides emission factors of kg CO2/mln for each of the NACE categories.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

58457.0

(7.5.3) Methodological details

Emissions resulting from suppliers that have been purchased renewable energy or have been compensated emissions are considered equal to zero (please refer to supply chain engagement process in this document). The emissions relating to capital goods referring to the WIND sector were calculated using the LCA emission factor of the LCA studies of the turbines and covers 87% of the installed turbines (in number) and about 85% of the total energy produced. This approach used the cradle to grave emission factor. Multiplying the cradle to grave emission factor emission factor of the LCA studies (g CO2e / kWh) x the electricity produced during the year by the electric turbines (kWh) we estimated the total emissions of these assets. The other Group's purchases for 2020 were divided into NACE categories and multiplied by the corresponding emission factors provided by Eurostat. The NACE code, abbreviation of "statistical classification of economic activities in the European Communities", is a general classification system used to systematize and standardize the definitions of economic/industrial activities in the states that are part of the European Union. Eurostat through the Input-Output tables provides emission factors of kg CO2 / mln for each of the NACE categories.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/30/2020

(7.5.2) Base year emissions (metric tons CO2e)

351716

(7.5.3) Methodological details

This category includes emissions related to the production of fuels and energy purchased and consumed by the company that are not included in Scope 1 or Scope 2. In particular, it takes into account the extraction, production, and transportation of fuels directly consumed by the Group, and of the extraction, production, and transportation of fuels consumed in the generation of electricity, steam, heating consumed by the Group. Concerning the electricity contribution, it also considers the transmission and distribution losses along the grid. The input data are the consumption data of fuels and electricity. The data mainly includes the emission generated

by the natural gas purchased to feed the CCGT (45%), the electricity purchased for trading and sold to end users (54%). The fuels and electricity have been multiplied by emission factors from DEFRA database that take into account the extraction, production and transport of the fuel consumed.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

583.0

(7.5.3) Methodological details

The Group's purchases of transport and distribution services for the year 2020 were divided into NACE categories (general classification system used to standardize economic/industrial activities in the European Union) and multiplied by the corresponding emission factors provided by Eurostat. Eurostat provides emission factors of kg CO2/mln for the corresponding NACE category.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

350.0

(7.5.3) Methodological details

The waste type-specific method was used to calculate emissions from that Scope 3 category. Emission factors were derived from DEFRA 2020. Quantities, waste type and disposal were quantified based on data collected and reported by the EM (monitored data derived from forms and/or loading and unloading records). The waste produced by the Group has been multiplied by the corresponding emission factors from DEFRA database.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

232.0

(7.5.3) Methodological details

The Business Travel carbon emissions are referred to the 4 main transportation booking services: air, rail, car rental and ferry. The emissions calculator has been based on the service sector calculation tool and guidance from the Greenhouse Gas Protocol. Passenger numbers and travel distances for rail and air travel are obtained through the booking process. For air travel, the distances are taken from a Global Distribution System (Sabre and/or Galileo). If not available, the travel distance is calculated using the latitude and longitude of the origin and destination airports, which are identified using IATA airport codes. For rail travel, the travel distance is provided by the supplier (Trenitalia and NTV). For ferry travel or for car rental the emissions are in terms of kg of CO2 per km. The emission factors used are sourced from DEFRA (UK). The business travels that include emission generated by air and train travels as reported by the travel agency according to a Certified Methodology. Travels by car have been estimated equal to 0 due to pandemic restrictions to travel in 2020.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

410.0

(7.5.3) Methodological details

The commuting data of employees was collected through a questionnaire. The following assumptions have been taken into account: • Responses that selected the company car as the mode of transport were excluded because these emissions are already reported under Scope 1. • Responses with a mileage value significantly above average were excluded. This could be the case for employees who travel for work. Specifically, trips over 200 km were excluded. • To calculate the annual kilometers traveled by each employee, the daily round-trip kilometers were multiplied by 220 working days per year (equivalent to 44 working weeks of 5 days each). A total of 604 responses were received out of 754 employees as of 31/12/2019. The questionnaire results represent 80% of the employees as of 31/12/2019. To obtain data for the entire Group's perimeter, an estimate was constructed as follows: • The questionnaire responses were divided by mode of transport to create a percentage share for each mode of transport. • Employees who did not respond were reclassified using the percentage share of each category.

• *An index was calculated showing the annual kilometers traveled by each employee. • The total kilometers traveled by employees who did not respond to the questionnaire were calculated using the formula: estimate of the number of employees who did not respond (divided by mode of transport) x the index of annual kilometers traveled by each employee in the given category. • The total kilometers traveled, which was used for the emissions calculation, combines the kilometers reported in the questionnaire responses with the estimated portion for employees who did not respond. Employee commuting emissions have been estimated multiplying commuting travel related to 2019 x 58% (average working time spent at office in 2020). The emission factors used are sourced from DEFRA (UK).*

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

There are 2 warehouses leased by ERG in the reporting year not included in scope 1 and scope 2. They do not have significant electricity consumption. Emissions have been estimated around 0% of total Scope 3 emissions. The analysis was submitted to SBTi and approved.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Energy is fed into the national grid, there are no emissions from downstream transportation and distribution.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ERG's electricity is supplied directly into the national grid, therefore do not exist any processing and relative emissions.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

The emissions from the use of sold products are related to the electricity consumption by users, relating to the quota produced by ERG. As ERG production from mainly renewable sources is directly delivered into the Grid it is considered not relevant. ERG does not sell products that consume electricity during its life-cycle. ERG do not sell or distribute fossil fuels.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ERG sells electricity that do not generate waste, therefore no end of life treatment is required.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ERG does not lease asset downstream to third companies.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ERG does not operate with a franchisor business model.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

ERG does not provide financial services.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Not applicable.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Not applicable.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

1133.4

(7.6.3) Methodological details

The direct emissions (Scope 1) are mainly generated by leaks: • SF6 (sulphur hexafluoride) from some high voltage equipment; • F-gas (fluorinated gases) from air conditioning systems; • use of company cars. This value includes the emissions for: • the wind and solar plant; • the HQ offices. The Scope 1 emission factors are provided by DEFRA 2023 “UK Government – GHG Conversion Factors for Company Reporting” related to fuels and fugitive emissions. Please note that the value which is reported in NFS corresponds to 1.1 ktons of CO2 due to approximations.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

5768.1

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

207.99

(7.7.4) Methodological details

ERG indirect greenhouse gas emissions (Scope 2 emissions) from energy consumption are generated by the purchase of national grid electricity required to operate plants that are not generating, and by condominium services for offices. The emissions factors depend on the calculation approach as follows: • Location-Based method: values are provided AIB, European "Residual Mixes 2023". • Market-Based method: values are provided by AIB, European "Total Supplier Mixes 2023". [Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

21012

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

3

(7.8.5) Please explain

This category includes all upstream (i.e., cradle-to-gate) emissions from the purchase of goods or services acquired by ERG in the reporting year. The Spend-based method was used to estimate the emissions of goods and services. This methodology involves the use of: - data derived from LCA (Life Cycle Assessment) and EPD (Environmental Product Declarations) when available - the economic value referring to goods and services purchased in 2023 - an appropriate emission factor. The emission factor used for the spend-based method was associated by going to categorize goods and services by: - macro categories of expenditure - geolocation.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

147225

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

99

(7.8.5) Please explain

The value of 147,2 ktCO2 is given by: - 74,2 ktCO2 related to wind power plants; - 71,2 ktCO2 related to photovoltaic plants; - 1,8 ktCO2 related to Capital Goods which are not directly associated to wind and solar technology. As ERG approach is to have data as much precise as possible, we have used, where available, the cradle to grave emission factor published by producers in their LCA studies [g CO2e / kWh] x the electricity produced during the year [kWh] we estimated the total emissions of these assets. In detail: - The emissions relating to capital goods of the WIND technology were calculated using the LCA cradle to grave emission factor (gCO2/kWh) published in the LCA studies by the turbine producers multiplied by the P50 (GWh). - The emissions relating to capital goods of the SOLAR technology were calculated using an estimated LCA cradle to grave emission factor (gCO2/kWh) published in the LCA studies by the panels producers multiplied by the P50 (GWh). The other Group's capital goods purchases for 2022 were divided into NACE categories and multiplied by the corresponding emission factors provided by Eurostat. The NACE code is a general classification system used to systematize and standardize the definitions of economic/industrial activities in the states that are part of the European Union. Eurostat through the Input-Output tables provides emission factors of kg CO2 / mln for each of the NACE categories. To collect the most accurate information, we engaged all our suppliers asking them to provide information on the adoption of green / climate change policies impacting their productions and substantially reducing the carbon footprint of their supplies to ERG. The suppliers that answered providing information and evidence that their production process is totally green have been excluded by the scope 3 calculation subtraction their purchases from the total purchase of the category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

668

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

This category includes emissions related to the production of fuels and energy purchased and consumed by ERG in the reporting year that are not included in Scope 1 or Scope 2. The data mainly includes the emission generated by the grid's transport and distribution losses, the upstream of the purchased electricity (included T&D) and the electricity purchased for trading and sold to end users. Scope 3 emissions from fuel- and energy-related activities were calculated by multiplying the quantities of fuels used in the reporting year (liters for diesel oil, gasoline and lpg) and the amount of electricity consumed (kWh) by the specific factors representative of the upstream phase (energy generation, transportation, and distribution). The emissions variation respect to last year is due the fact that ERG has no more natural gas consumption, which represented the 44% of the whole category in 2021.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2135

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The data referred to this category covers the whole transportation and distribution of products purchased in the reporting year, between the company's tier 1 suppliers and its own operations in vehicles not owned or operated by ERG. In order to calculate the emissions reported in the 2nd column the distance-based method and the spend-based method were used. The distance-based method involves different quantities that are: • the mass transported • the distance travelled • the mode of transport for each shipment Note that due to the origin and the destination of the multi-modal shipping is considered. The emission factors used derives from "UK Government GHG Conversion Factors for Company Reporting 2023". In particular, freighting goods factors were used in relation to these two means of transport: • Articulated – HVG, all diesel • Cargo Ship Please note that Well-to-tank (WTT) factors is considered to report the upstream Scope 3 emissions associated with extraction, refining and transportation of the raw fuels before they are used to power the transport mode. To quantify the emissions related to upstream transportation and distribution, for which precise data were not available, the Spend-based method was used. This methodology involves the use of: • an economic value related to transportation • an appropriate emission factor. The emission factor used was associated by categorizing goods and services according to: •macro spending categories • geolocation. Specifically, as an emission factor, an average between the 'Water transportation' and 'Truck transportation' emission factors was taken for each country.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

23

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Category 5 includes emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. Average-data method involves estimating emissions based on total waste going to each disposal method (e.g., landfill) and average emission factors for each disposal method. The waste produced by the Group has been multiplied by the corresponding emission factors from DEFRA database. In particular, the emissions generated by waste management are not relevant in 2023 as almost 91% of the waste produced by the Group was sent to recovery.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

938

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The Business travel carbon emissions are referred to the 4 main transportation booking services: air, rail, car rental and taxi. The emissions calculator has been based on the service sector calculation tool and guidance from the Greenhouse Gas Protocol. In order to calculate the emissions reported in the 2nd column the distance-based method and the spend-based method were used. According to the 'Distance Based' method, the calculation is based on the kilometers traveled for business trips. Passenger numbers and travel distances as total mileage (round trip) for rail and air travel are obtained through the booking process. The source of the emission factors is DEFRA 2023 (UK Government GHG Conversion Factors for Company Reporting). For air travel, as in previous years, the 'Long Haul' factor was used, representing flights with mileage over 3700 km. With the spend-based method, expenses incurred for: • short-term car rentals • taxi rides were evaluated. The emission factor (EEIO- Eurostat) associated corresponds to the NACE sector H 49 related to land transport. Indirect emissions in 2023 amounted to approximately 0.9 ktCO2, an increase of approximately 77% with respect to 2022 is due to an greater mobility and also to the spend-based contribution.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

544

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Category 7 was calculated according to two separate methodologies. Specifically, a questionnaire was administered on July 2023 to the entire company population in order to map employee habits related to home-to-work travel. The response rate was around 68%. On this part of the population, the “distance-based method” was

used. The data collected by the survey were: • Total distance travelled by employees • Mode of transport used for commuting • Average day spent at work in a week Those information's were used to quantify the first portion of the category emissions, going to use the following formula as suggested by the guidelines: Σ (total distance travelled by vehicle type (vehicle-km or passenger-km) vehicle specific emission factor (kg CO2e/vehicle-km or kg CO2e/passenger-km)) The vehicle specific emission factor derives from Defra 2023. For the remaining part of the Group population (32%), the "average data method" was applied as suggested by the guidelines (indeed, emissions were calculated proportionately based on the results obtained from the questionnaire). DEFRA 2023 (UK Government GHG Conversion Factors for Company Reporting) was considered as emission factors.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

153

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The calculation is performed using: • specific data of rented properties where available (energy consumption); • the surface area of the properties when consumption data is not available. In particular, for the latter case, an emission index (tCO2e/mq) was derived for each type of property based on Italian data and applied to other countries (Romania, UK, France, Spain). In particular, the emission intensity index was derived from ENEA's national SIAPE DB, which monitors the energy performance of individual properties throughout the country, based on the results of individual APEs (Energy Performance Certificates).

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Energy is fed into the national grid, there are no emissions from downstream transportation and distribution.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ERG's electricity is supplied directly into the national grid, therefore do not exist any processing and relative emissions. Furthermore, the energy sold is produced by renewables.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The emissions from the use of sold products are related to the electricity consumption by users, relating to the quota produced by ERG. As ERG production is from renewable sources and directly delivered into the Grid it is considered not relevant. ERG does not sell or distribute fossil fuels.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ERG sells electricity that does not generate waste; therefore no end-of-life treatment is required.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ERG does not lease asset downstream to third companies.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ERG does not operate with a franchisor business model.

Investments

(7.8.1) Evaluation status

Select from:
☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

ERG does not provide financial services.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

Not applicable

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

Not applicable
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

ERG_Non Financial Statement 2023.pdf

(7.9.1.5) Page/section reference

Non-Financial Statement 2023: • Scope 1 please refer to page 28-29; 39 • Third part assurance report reference: please refer to page 176-178

(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

ERG_Non Financial Statement 2023.pdf

(7.9.2.6) Page/ section reference

Non-Financial Statement 2023: • Scope 2 please refer to page 28-29; 39 • Third part assurance report reference: please refer to page 176-178

(7.9.2.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

ERG_Non Financial Statement 2023.pdf

(7.9.2.6) Page/ section reference

Non-Financial Statement 2023: • Scope 2 please refer to page 28-29; 39 • Third part assurance report reference: please refer to page 176-178

(7.9.2.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

ERG_Non Financial Statement 2023.pdf

(7.9.3.6) Page/section reference

Non-Financial Statement 2023: • Scope 3 please refer to page 28-29; 39 • Third part assurance report reference: please refer to page 176-178

(7.9.3.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

200

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

20

(7.10.1.4) Please explain calculation

*The decrease in Scope 2 CO2 emissions in 2023 is attributable to the increase in energy purchased from renewable sources. Although ERG's electricity consumption increased compared to 2022 due to the increase in installed power and the number of plants, the supply from renewable sources increased even more. This increase in the use of renewable energy has allowed an overall reduction in CO2 emissions, highlighting the effectiveness of ERG's sustainability strategies and investments in green technologies. The reduction in emissions between 2023 and 2022 was calculated with this formula: Total gross Scope 12 emissions for the current reporting year – previous year's total gross Scope 12 emissions total change in emissions (1300 tCO2 -1500 tCO2) - 200 tCO2 The value entered as a percentage was calculated with the following formula: (Total gross Scope 12 emissions for the current reporting year - Total gross Scope 12 emissions for 2022) / Total gross Scope 12 emissions 2022 * 100 (1300 - 1500) / 1500 *1000 - 20%*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

ERG does not quantify the emissions avoided connected with "other emission reduction activities" by correlating them to Scope 1 and 2. Consequently, the values indicated in the previous columns are equal to zero. Nevertheless, the Group regards avoided CO2 as a key indicator of the positive impact renewable energy production has on environmental improvement. As outlined in question 7.55.1 and further detailed in 7.55.2, in 2023 the CO2 emissions avoided through reduction initiatives implemented during the reporting year totaled 339,000 tons, with 212,500 tons attributed to wind energy and the remaining to solar energy.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by divestment.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by acquisitions.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by mergers.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by change in output

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by change in output

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by change in boundary

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by physical operating conditions

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by unidentified reasons.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No change in gross global emissions generated by other reasons.
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

973.1

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

111.3

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

35.3

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

13.8

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
[Add row]

(7.15.3) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

Fugitives

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0.002

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

147

(7.15.3.5) Comment

Emissions comes from SF6 leakage from high voltage system (35.3 tCO2e) and HFCs leakage (111.3 CO2e).

Combustion (Electric utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

973

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

973

(7.15.3.5) Comment

The direct emissions (Scope 1) are mainly generated by the use of company cars.

Combustion (Gas utilities)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

14

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

14

(7.15.3.5) Comment

Consumption is related to the heating belonging to the WTC (italian main office and workplace).

Combustion (Other)

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

The Group does not have other emission sources than those reported in the table

Emissions not elsewhere classified

(7.15.3.1) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.3.2) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.3.3) Gross Scope 1 SF6 emissions (metric tons SF6)

0

(7.15.3.4) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.3.5) Comment

The Group does not have other emission sources than those reported in the table
[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Bulgaria

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

181.41

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

46.94

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

905.05

Poland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

Romania

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

Spain

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

Sweden

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0
[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division
☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*ERG Power Generation Wind farms*	*950.3*
Row 2	*ERG Solar*	*17.28*
Row 3	*ERG HQ*	*165.82*

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Emissions from electricity generation*	*986.9*
Row 2	*Other scope 1 emissions related to electricity generation (fugitive emission)*	*146.5*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	*1133.4*	*Emissions certified by third parties result from the sum of electricity generation emissions (987 t CO2e) SF6 and HFCs gas leakage (147t CO2e)*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

1133

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

5768

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

208

(7.22.4) Please explain

The emissions are related to: • Solar business • Wind business • to the Group's headquarters and offices. In particular: • Scope 1 emissions are related to the consumption of methane gas for heating and the car fleet • Scope 2 emissions are mainly linked to the purchases of electricity necessary for the operation of plants and offices

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

The Group includes within its reporting everything that falls within the consolidated perimeter. There are no other entities included to be reported separately. [Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ No
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ Yes
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

20815

(7.30.1.3) MWh from non-renewable sources

930

(7.30.1.4) Total (renewable and non-renewable) MWh

21745

Consumption of purchased or acquired heat

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

75

(7.30.1.4) Total (renewable and non-renewable) MWh

75

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

20815

(7.30.1.3) MWh from non-renewable sources

1005

(7.30.1.4) Total (renewable and non-renewable) MWh

21820
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Bulgaria

(7.30.16.1) Consumption of purchased electricity (MWh)

256

(7.30.16.2) Consumption of self-generated electricity (MWh)

256

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

512.00

France

(7.30.16.1) Consumption of purchased electricity (MWh)

2887

(7.30.16.2) Consumption of self-generated electricity (MWh)

2887

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5774.00

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

2933

(7.30.16.2) Consumption of self-generated electricity (MWh)

2933

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

5866.00

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

12298

(7.30.16.2) Consumption of self-generated electricity (MWh)

12298

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

75

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

24671.00

Poland

(7.30.16.1) Consumption of purchased electricity (MWh)

956

(7.30.16.2) Consumption of self-generated electricity (MWh)

956

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1912.00

Romania

(7.30.16.1) Consumption of purchased electricity (MWh)

570

(7.30.16.2) Consumption of self-generated electricity (MWh)

570

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1140.00

Spain

(7.30.16.1) Consumption of purchased electricity (MWh)

1229

(7.30.16.2) Consumption of self-generated electricity (MWh)

1229

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2458.00

Sweden

(7.30.16.1) Consumption of purchased electricity (MWh)

265

(7.30.16.2) Consumption of self-generated electricity (MWh)

265

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

530.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

351

(7.30.16.2) Consumption of self-generated electricity (MWh)

351

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

702.00
[Fixed row]

(7.33) Does your electric utility organization have a transmission and distribution business?

Select from:
☑ No

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000018097

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1341

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

741000000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

17

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

(7.45.9) Please explain

The reduction in intensity in 2023 is confirmed by the business change, as ERG is now a pure renewable operator. The change compared to the previous year is justified by initiatives related to low-carbon energy generation, the increase in wind and solar energy production, and the continued pursuit of energy efficiency. [Add row]

(7.46) For your electric utility activities, provide a breakdown of your Scope 1 emissions and emissions intensity relating to your total power plant capacity and generation during the reporting year by source.

Wind

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

950

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.17

(7.46.4) Scope 1 emissions intensity (Net generation)

0.17

Solar

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

17

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.03

(7.46.4) Scope 1 emissions intensity (Net generation)

0.03

Total

(7.46.1) Absolute scope 1 emissions (metric tons CO2e)

968

(7.46.2) Emissions intensity based on gross or net electricity generation

Select from:
☑ Gross

(7.46.3) Scope 1 emissions intensity (Gross generation)

0.16
[Fixed row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Waste

(7.52.2) Metric value

213

(7.52.3) Metric numerator

tons

(7.52.5) % change from previous year

58

(7.52.6) Direction of change

Select from:
☑ Decreased

(7.52.7) Please explain

The amount of waste reported for 2023 decreased by 58% from the previous year. The reason for this trend is related to the fact that minimization of environmental impacts must include the implementation of policies to reduce the waste generated by our business activities. In ERG, waste mainly originates: - From plant maintenance; - From the construction of new plants; - from general office activities. In particular, our waste mainly comes from internalized plant maintenance activities and solar revamping. Environmental impact minimization must include the implementation of policies to reduce waste produced by our business activities. In 2023, about 91% of the waste produced by the Group was sent for recovery.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply
☑ Intensity target

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

07/22/2021

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.174384

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.00015

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.1745340000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99.95

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

78.1

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

99.93

(7.53.2.55) End date of target

12/30/2027

(7.53.2.56) Targeted reduction from base year (%)

72

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0488695200

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

50.16

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.00018462

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.00003388

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0002185000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

138.72

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

The target. “Int.1” is company-wide, so it refers to all business units, and geographic regions within the company. It includes all operations, facilities, and activities that the company is responsible for so it covers the entire Scope 1 and 2 of the Group In accordance with SBT, this target doesn’t cover the bioenergy emissions and removals because they are not emitted by ERG

(7.53.2.86) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The strategy to achieve the target includes the improvement of energy efficiency projects, and the corresponding increase of the production from renewable sources (wind and solar). We plan to monitor progress through regular milestones such as annual reviews of emissions data and quarterly updates on project advancements. Our targets are informed by the latest international agreements on climate change, particularly jurisdictional commitments from the Paris Agreement, ensuring alignment with global standards. The process for reviewing the target involves continuous assessment by our sustainability committee, with adjustments made based on performance metrics and evolving regulatory requirements.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

Row 2

(7.53.2.1) Target reference number

Select from:

☑ Int 4

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

12/30/2022

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.16487

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0.029435

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.0294350000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.1943050000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99.95

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

44.0

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

44.0

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

89.4

(7.53.2.55) End date of target

12/30/2040

(7.53.2.56) Targeted reduction from base year (%)

95.3

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0091323350

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

50.16

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

100

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.00018462

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities (metric tons CO2e per unit of activity)

0.000099477

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000994770

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0002840970

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

104.78

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This is a net zero target and covers Scope 1 and Scope 3 – Cat 3 (Electricity purchased and sold). In accordance with SBT, this target doesn't cover the bioenergy emissions and removals because they are not emitted by ERG.

(7.53.2.86) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The strategy to achieve the target includes the improvement of energy efficiency projects, and the corresponding increase of the production from renewable sources (wind and solar). We plan to monitor progress through regular milestones such as annual reviews of emissions data and quarterly updates on project advancements. Our targets are informed by the latest international agreements on climate change, particularly jurisdictional commitments from the Paris Agreement, ensuring alignment with global standards. The process for reviewing the target involves continuous assessment by our sustainability committee, with adjustments made based on performance metrics and evolving regulatory requirements. Concerning the energy consumption, the plan for achieving the consumption target is based on an increased purchasing of certified green energy (e.g., Guarantee of Origin certificates) for the supply of plants and offices. At the end of the reporting year the share of renewables electricity consumed by ERG is equal to 96% of the total electricity consumption

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

Row 3

(7.53.2.1) Target reference number

Select from:

☑ Int 3

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

12/30/2022

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.174384

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.00015

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.1745340000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99.95

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

78.1

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

99.93

(7.53.2.55) End date of target

12/30/2040

(7.53.2.56) Targeted reduction from base year (%)

94.8

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0090757680

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

90.74

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.00018462

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.00003388

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0002185000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

105.35

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This is a net zero target and covers the whole Group's Scope 1 and Scope 2 activities. In accordance with SBT, this target doesn't cover the bioenergy emissions and removals because they are not emitted by ERG.

(7.53.2.86) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The strategy to achieve the target includes the improvement of energy efficiency projects, and the corresponding increase of the production from renewable sources (wind and solar). We plan to monitor progress through regular milestones such as annual reviews of emissions data and quarterly updates on project advancements. Our targets are informed by the latest international agreements on climate change, particularly jurisdictional commitments from the Paris Agreement, ensuring alignment with global standards. The process for reviewing the target involves continuous assessment by our sustainability committee, with adjustments made based on performance metrics and evolving regulatory requirements.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

Row 4

(7.53.2.1) Target reference number

Select from:

☑ Int 5

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

12/30/2022

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 2: Capital goods

☑ Category 6: Business travel

☑ Category 7: Employee commuting

☑ Category 8: Upstream leased assets

☑ Category 1: Purchased goods and services

☑ Category 5: Waste generated in operations

☑ Category 4: Upstream transportation and distribution

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.15) Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.00363723

(7.53.2.16) Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.00975578

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0.05352371

(7.53.2.18) Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.0000886

(7.53.2.19) Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

0.00003723

(7.53.2.20) Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.00003632

(7.53.2.21) Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.00006474

(7.53.2.22) Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

0.00000912

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.0671527300

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0671527300

(7.53.2.36) % of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

100.0

(7.53.2.37) % of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

100.0

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

100.0

(7.53.2.39) % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

100.0

(7.53.2.40) % of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

100.0

(7.53.2.41) % of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

100.0

(7.53.2.42) % of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

100.0

(7.53.2.43) % of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

100.0

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100.0

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100.0

(7.53.2.55) End date of target

12/30/2040

(7.53.2.56) Targeted reduction from base year (%)

97

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0020145819

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

94.7

(7.53.2.62) Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.003422723

(7.53.2.63) Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

0.023981996

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities (metric tons CO2e per unit of activity)

0.000099477

(7.53.2.65) Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

0.000347728

(7.53.2.66) Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

0.000003833

(7.53.2.67) Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

0.00015273

(7.53.2.68) Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

0.000088553

(7.53.2.69) Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

0.000024856

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0281218960

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0281218960

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

59.92

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This is a net zero target and covers all remaining scope 3 emissions (not already included in previous net zero target) In accordance with SBT, this target doesn't cover the bioenergy emissions and removals because they are not emitted by ERG.

(7.53.2.86) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our

market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target also aims to increase the engagement with the suppliers, the improvement of all the efficiency strategy related to travels and commuting. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The strategy to achieve the target includes the improvement of energy efficiency projects, and the corresponding increase of the production from renewable sources (wind and solar). We plan to monitor progress through regular milestones such as annual reviews of emissions data and quarterly updates on project advancements. Our targets are informed by the latest international agreements on climate change, particularly jurisdictional commitments from the Paris Agreement, ensuring alignment with global standards. The process for reviewing the target involves continuous assessment by our sustainability committee, with adjustments made based on performance metrics and evolving regulatory requirements. The strategy also includes an increase of engagement of the suppliers, the improvement of all the efficiency strategy related to travels and commuting.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 5

(7.53.2.1) Target reference number

Select from:

☑ Int 2

(7.53.2.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

12/30/2022

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per megawatt hour (MWh)

(7.53.2.12) End date of base year

12/30/2020

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.16487

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

0.029435

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.0294350000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.1943050000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

99.95

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

44

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

44

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

89.4

(7.53.2.55) End date of target

12/30/2027

(7.53.2.56) Targeted reduction from base year (%)

70.4

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0575142800

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

50.16

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

100

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.000184624

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities (metric tons CO2e per unit of activity)

0.00009948

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.0000994800

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0002841040

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

141.84

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This target covers Scope 1 and Scope 3 – Cat 3 (Electricity purchased and sold). This target is a sectoral decarbonization Approach In addition, in accordance with SBT, this target doesn't cover the bioenergy emissions and removals because they are not emitted by ERG

(7.53.2.86) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The strategy to achieve the target includes the improvement of energy efficiency projects, and the corresponding increase of the production from renewable sources (wind and solar). We plan to monitor progress through regular milestones such as annual reviews of emissions data and quarterly updates on project advancements. Our targets are informed by the latest international agreements on climate change, particularly jurisdictional commitments from the Paris Agreement, ensuring alignment with global standards. The process for reviewing the target involves continuous assessment by our sustainability committee, with adjustments made based on performance metrics and evolving regulatory requirements. Concerning the energy consumption, the plan for achieving the consumption target is based on an increased purchasing of certified green energy (e.g., Guarantee of Origin certificates) for the supply of plants and offices. At the end of the reporting year the share of renewables electricity consumed by ERG is equal to 96% of the total electricity consumption.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

12/30/2020

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/30/2020

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

23600

(7.54.1.9) % share of low-carbon or renewable energy in base year

90

(7.54.1.10) End date of target

12/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

93

(7.54.1.13) % of target achieved relative to base year

30.00

(7.54.1.14) Target status in reporting year

Select from:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

Yes, this target is part of the target INT1 disclosed in question 7.53.2 as it is calculated as an index between the Group's total scope 1 scope 2 emission divided by the total energy produced (MWheq of electricity).

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ Science Based Targets initiative

(7.54.1.18) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.54.1.19) Explain target coverage and identify any exclusions

The target is focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs (scope 2 emissions) and it is part of a wider climate-related target where ERG is committed to reach Scope 1 and 2 carbon neutrality by 2025 by reaching zero scope 2 emissions (market-based) by 2025 and compensating residual emissions by purchasing carbon credits.

(7.54.1.20) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification.

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

The plan to achieve the consumption target involves increasing the procurement of certified green energy, such as Guarantee of Origin certificates, for powering plants and offices. By the end of the reporting year, 96% of ERG's total electricity consumption came from renewable sources.

Row 2

(7.54.1.1) Target reference number

Select from:

☑ Low 2

(7.54.1.2) Date target was set

12/30/2020

(7.54.1.3) Target coverage

Select from:

☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Production

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/30/2020

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

5236000

(7.54.1.9) % share of low-carbon or renewable energy in base year

65

(7.54.1.10) End date of target

12/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

100

(7.54.1.13) % of target achieved relative to base year

100.00

(7.54.1.14) Target status in reporting year

Select from:

☑ Achieved

(7.54.1.16) Is this target part of an emissions target?

Yes, this target is part of the target INT1 disclosed in question C7.53.2 and represent part of its denominator (total energy production from renewables). The index is calculated as a ratio between the Group's total scope 1 scope 2 emission divided by the total energy produced (MWheq of electricity from RES)

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ Science Based Targets initiative

(7.54.1.18) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.54.1.19) Explain target coverage and identify any exclusions

The target is company-wide, and no exclusions have been taken. The target refers to the increase of the energy production from RES (mainly wind and solar) thanks to the deployment of the update 2022-2026 Business Plan, fully focused on renewables. Moreover, the target is aligned and have been approved by Science Based Targets initiative. The target has been achieved.The target considers the estimated new installed capacity and the derived production.

(7.54.1.20) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification.

(7.54.1.22) List the actions which contributed most to achieving this target

Progress of the target: The target has been achieved thanks to the increase in RES production. In particular, the target achievement has been possible by the selling of the fossil fuels assets. The actions that most contributed to achieve this target are: • Disinvestment in fossil fuels assets, in particular CCGT facilities • Increase in RES production
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

12/30/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Int1

☑ Int3

(7.54.3.5) End date of target for achieving net zero

12/30/2040

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

This target is company wide and commits to reduce scope 1 and 2 GHG emissions from power generation 94.8% per MWh by 2040 from a 2020 base year.

(7.54.3.11) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

ERG is now a pure renewable operator focused on solar and wind energy, with a Net Zero target by 2040, aiming to neutralize CO2 emissions by this date. The approval of our emission reduction targets by the Science Based Target initiative (SBTi), in line with the threshold necessary to keep the global temperature increase within 1.5C, confirms the validity of our decarbonization strategy. Additionally, ERG is advancing the engagement of its supply chain to achieve over 90% emission reductions, and for the remaining part, the use of carbon credits will be evaluated. To demonstrate our commitment, we have set several milestones and near-term investments, including the installation of new solar and wind capacity, and the development of environmental compensation projects, such as the "Renewable Energy Development and Recognition of Environmental Compensation Works for Local Communities" initiated in 2023. This project aims to provide concrete and practical tools for implementing environmental compensation strategies, ultimately promoting sustainability and the well-being of the involved communities, ensuring a positive long-term impact. Furthermore, emissions from the company's fleet are compensated through the purchase of carbon credits.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

According to the requirements set by the Science Based Targets initiative (SBTi), companies are required to review and, if necessary, update their emissions reduction targets at least every five years. ERG is currently not required to resubmit its targets, as the period required for a formal review has not yet elapsed. However, the company continues to closely monitor its environmental performance and market trends. This proactive approach is an integral part of ERG's sustainability strategy. Emission reduction initiatives are part of the group's decarbonisation plan and demonstrate the ongoing commitment to the energy transition and the reduction of carbon emissions.

Row 2

(7.54.3.1) Target reference number

Select from:

☑ NZ2

(7.54.3.2) Date target was set

12/30/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Int2

☑ Int4

☑ Int5

(7.54.3.5) End date of target for achieving net zero

12/30/2040

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

This target is company wide and commits to reduce scope 1 and 3 GHG emissions from fuel and energy related activities covering all sold electricity 95.3% per MWh within 2040.

(7.54.3.11) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. Moreover, the target also aims to increase the engagement with the suppliers, the improvement of all the efficiency strategy related to travels and commuting. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

ERG is now a pure renewable operator focused on solar and wind energy, with a Net Zero target by 2040, aiming to neutralize CO2 emissions by this date. The approval of our emission reduction targets by the Science Based Target initiative (SBTi), in line with the threshold necessary to keep the global temperature increase within 1.5C, confirms the validity of our decarbonization strategy. Additionally, ERG is advancing the engagement of its supply chain to achieve over 90% emission reductions, and for the remaining part, the use of carbon credits will be evaluated. To demonstrate our commitment, we have set several milestones and near-term investments, including the installation of new solar and wind capacity, and the development of environmental compensation projects, such as the "Renewable Energy Development and Recognition of Environmental Compensation Works for Local Communities" initiated in 2023. This project aims to provide concrete and practical tools for implementing environmental compensation strategies, ultimately promoting sustainability and the well-being of the involved communities, ensuring a positive long-term impact. Furthermore, emissions from the company's fleet are compensated through the purchase of carbon credits.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

According to the requirements set by the Science Based Targets initiative (SBTi), companies are required to review and, if necessary, update their emissions reduction targets at least every five years. ERG is currently not required to resubmit its targets, as the period required for a formal review has not yet elapsed. However, the company continues to closely monitor its environmental performance and market trends. This proactive approach is an integral part of ERG's sustainability strategy. Emission reduction initiatives are part of the group's decarbonisation plan and demonstrate the ongoing commitment to the energy transition and the reduction of carbon emissions.

Row 3

(7.54.3.1) Target reference number

Select from:

☑ NZ3

(7.54.3.2) Date target was set

12/30/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Int1

☑ Int4

☑ Int5

(7.54.3.5) End date of target for achieving net zero

12/30/2040

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

ERG S.p.A_Net Zero Approval Letter.pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

This target is company wide and commits to reduce scope 1, 2 and 3 from a 2020 base year

(7.54.3.11) Target objective

To continue growing and achieving the ambitious targets set in the Industrial Plan, we have implemented a flexible business model suited to the various contexts in which we operate, taking into account the geographical and technological diversification of our Wind & Solar businesses. Our strategic objective is to increase our market share in the renewable energy sector by developing and commissioning new wind and solar plants. The target is also focused on the increasing use of certified electricity from renewable sources to meet the group's electricity needs. This objective is linked to our strategy of achieving regulatory compliance and reducing operational costs through technological innovation and diversification. By focusing on strengthening the processes of development, engineering, construction, and commissioning, whether the projects are internally developed, subject to repowering, or result from M&A operations or co-development agreements, we aim to meet regulatory targets and enhance our competitive advantage in the market. Furthermore, we are committed to achieving carbon neutrality, focusing on the reduction of greenhouse gas emissions, particularly in our scope 3. We aim to ensure an increasing use of certified renewable electricity to meet our electricity needs, thus contributing to the achievement of net zero objectives.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

ERG is now a pure renewable operator focused on solar and wind energy, with a Net Zero target by 2040, aiming to neutralize CO2 emissions by this date. The approval of our emission reduction targets by the Science Based Target initiative (SBTi), in line with the threshold necessary to keep the global temperature increase within 1.5C, confirms the validity of our decarbonization strategy. Additionally, ERG is advancing the engagement of its supply chain to achieve over 90% emission

reductions, and for the remaining part, the use of carbon credits will be evaluated. To demonstrate our commitment, we have set several milestones and near-term investments, including the installation of new solar and wind capacity, and the development of environmental compensation projects, such as the "Renewable Energy Development and Recognition of Environmental Compensation Works for Local Communities" initiated in 2023. This project aims to provide concrete and practical tools for implementing environmental compensation strategies, ultimately promoting sustainability and the well-being of the involved communities, ensuring a positive long-term impact. Furthermore, emissions from the company's fleet are compensated through the purchase of carbon credits.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

According to the requirements set by the Science Based Targets initiative (SBTi), companies are required to review and, if necessary, update their emissions reduction targets at least every five years. ERG is currently not required to resubmit its targets, as the period required for a formal review has not yet elapsed. However, the company continues to closely monitor its environmental performance and market trends. This proactive approach is an integral part of ERG's sustainability strategy. Emission reduction initiatives are part of the group's decarbonisation plan and demonstrate the ongoing commitment to the energy transition and the reduction of carbon emissions.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*4*	*`Numeric input*
To be implemented	*4*	*2200000*
Implementation commenced	*9*	*297000*
Implemented	*6*	*339000*
Not to be implemented	*9*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Wind

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

212500

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

292000000

(7.55.2.7) Payback period

Select from:

☑ 11-15 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

The initiative refers to the capex spent in new installed capacity of about 400 MW distributed between Italy, UK, and Sweden. The estimated annual CO2e savings is calculated according to the estimated yearly electricity production multiplied by the average country (location-based) emission factor (as per Terna - Italian TSO - yearly report). The amount calculated represents the CO2e emissions for the generation of the estimated electricity if a Country-based average electricity mix would be the source of the electricity produced.

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

126500

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

201000000

(7.55.2.7) Payback period

Select from:

☑ 11-15 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ >30 years

(7.55.2.9) Comment

The initiative refers to the capex spent in new installed capacity of about 250MW of PV distributed between Spain and Italy. The estimated annual CO2e savings is calculated according to the estimated yearly electricity production multiplied by the average country (location-based) emission factor (as per Terna - Italian TSO - yearly report). The amount calculated represents the CO2e emissions for the generation of the estimated electricity if a Country-based average electricity mix would be the source of the electricity produced.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Other **:**Business plan / return on investment / IRR

(7.55.3.2) Comment

Development of the renewable energy plants is the Industrial goal of the Group. The 2024-2026 BP is focused on the development on wind and PV plants. At ERG, we have 3,266 MW of installed capacity (322 MW compared to 2022), of which 2,747 MW are in wind power and 519 MW are in solar power, geographically distributed across 9 countries. To date, ERG has 1770 MW of installed capacity abroad, with strong growth recorded in Spain (where from December 2022 to December 2023 ERG installed 149 MW of solar power). In December 2023, ERG signed an important agreement with Apex Clean Energy Holdings LLC (Apex), a leading independent American green energy developer. Specifically, two parks (one wind and one solar) with a total capacity of 317 MW will be transferred. In Italy, ERG has 1496 MW of installed renewable capacity (56 MW of additional capacity compared to 2022).
[Add row]

(7.58) Describe your organization’s efforts to reduce methane emissions from your activities.

With the divestment of the Thermoelectric Plant, the ERG Group has completed its transformation to a business model entirely focused on wind and solar power generation: a crucial step towards achieving the ‘net zero’ target that the Group has committed to as part of the ESG plan. As a result of these significant transactions, the Group has become a 100% Renewable operator with an installed capacity of 3,266 MW and a portfolio of assets diversified both technologically and geographically, in addition to a pipeline of Wind and Solar projects in Italy, Europe, and the USA totaling approximately 5,000 MW. The Group’s installed capacity in wind and solar power grew by 322 MW in 2022 to reach 3.7 GW. Due to this complete focus on wind and solar energy, methane emissions are not relevant to the company’s operations, as these sources of energy do not produce methane.

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Solar PV

(7.74.1.4) Description of product(s) or service(s)

ERG's production of electricity from renewable resources (wind and solar) contribute to the transition to a net-zero carbon economy operating within the limits set out by leading climate scientists. For this reason, ERG's energy can be qualified as "low carbon products". Indeed, the Group is a market leader in wind in Italy and is one of the top operators in Europe. ERG's growth strategy is strongly oriented towards renewable energy sources, with focus on wind and solar energy. ERG's generation allows energy users to reduce their Scope 2 emissions, as wind energy is a low carbon emission source of energy if compared with electricity generated in fossil-fueled thermoelectric plants. In a global context, our production allows governments to reach their emissions reduction targets.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

16

Row 2

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Onshore wind

(7.74.1.4) Description of product(s) or service(s)

ERG's production of electricity from renewable resources (wind and solar) contribute to the transition to a net-zero carbon economy operating within the limits set out by leading climate scientists. For this reason, ERG's energy can be qualified as "low carbon products". Indeed, the Group is a market leader in wind in Italy and is one of the top operators in Europe. ERG's growth strategy is strongly oriented towards renewable energy sources, with focus on wind and solar energy. ERG's generation allows energy users to reduce their Scope 2 emissions, as wind energy is a low carbon emission source of energy if compared with electricity generated in fossil-fueled thermoelectric plants. In a global context, our production allows governments to reach their emissions reduction targets.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

84
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:
☑ No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Land/water management

☑ Species management

☑ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ Response indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

N/A

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

N/A

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

N/A

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ No

(11.4.2) Comment

N/A

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ No

(11.4.2) Comment

N/A

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

The wind farm near areas of community interest is located in the municipalities of Motta Montecorvino and Volturara Apulla, listed in the “Natura 2000 network of protected areas”. In particular, this plant is subject to the environmental impact assessment procedure EIA-VAS This proceeding revealed that 4 aerogenerators fall of the areas mentioned above. The ogranization analyzed the existing situation and in light of the recommendations plans to decommission existing wind turbines impacting areas of community interest. These will be relocated to suitable areas thus allowing renaturalization of the areas. The final plant will therefore not directly interfere with Natura 2000 Network sites, protected areas or IBAs (Important Birds Area).
[Fixed row]

(11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:
☑ Italy

(11.4.1.5) Name of the area important for biodiversity

SIC

(11.4.1.6) Proximity

Select from:
☑ Adjacent

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

The wind farm near areas of community interest is located in the municipalities of Motta Montecorvino and Volturara Apulla. In particular, this plant is subject to the environmental impact assessment procedure EIA-VAS This proceeding revealed that 4 aerogenerators fall of the areas mentioned above.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Site selection

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The ogranization analyzed the existing situation and in light of the recommendations plans to decommission existing wind turbines impacting areas of community interest. These will be relocated to suitable areas thus allowing renaturalization of the areas. The final plant will therefore not directly interfere with Natura 2000 Network sites, protected areas or IBAs (Important Birds Area)
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Electricity/Steam/Heat/Cooling consumption

☑ Fuel consumption

☑ Waste data

☑ Year on year change in absolute emissions (Scope 1 and 2)
☑ Year on year change in absolute emissions (Scope 3)

(13.1.1.3) Verification/assurance standard

General standards
☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

The verification of all data in the Non-Financial Statement is conducted annually by an independent body. In particular, all aspects relevant to the Group's activity and characteristics were analyzed in order to assess their reasonableness. The scope of the assurance includes climate-related aspects such as waste data, fuel consumption, year-on-year changes in absolute emissions (Scope 1, 2, and 3), and electricity/steam/heat/cooling consumption. For further information, please refer to the "Report of the Auditing Firm" in the NFS on pages 176-178.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERG_Non Financial Statement 2023.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply
☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction
☑ Other data point in module 1, please specify **:**Overall Disclosure

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

The verification of all data in the Non-Financial Statement is conducted annually by an independent body. In particular, all aspects relevant to the Group's overall Disclosure were analyzed in order to assess their reasonableness. For further information, please refer to the "Report of the Auditing Firm" in the NFS on pages 176-178.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERG_Non Financial Statement 2023.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

☑ Identification, assessment, and management processes

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

The verification of all data in the Non-Financial Statement is carried out annually by an independent third party. Specifically, all aspects relevant to the Group's board-level oversight of climate-related issues were thoroughly reviewed, along with the processes for identifying, assessing, and managing these issues, to evaluate their reasonableness and ensure they align with industry standards. For further information, please refer to the "Report of the Auditing Firm" in the NFS on pages 176-178.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERG_Non Financial Statement 2023.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Governance

☑ Other data point in module 4, please specify **:**Board-level oversight on climate - related issues

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

The verification of all data in the Non-Financial Statement is conducted annually by an independent body. Specifically, all governance-related aspects relevant to the Group's overall Disclosure were analyzed to assess their reasonableness. For further information, please refer to the "Report of the Auditing Firm" in the NFS on pages 176-178.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERG_Non Financial Statement 2023.pdf

Row 5

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

☑ Scenario analysis

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

The verification of all data in the Non-Financial Statement is carried out annually by an independent third party. Specifically, all aspects relevant to the Group's Scenario Analysis were analyzed in order to assess their reasonableness. For further information, please refer to the "Report of the Auditing Firm" in the NFS on pages 176-178.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERG_Non Financial Statement 2023.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

We have no additional information to provide in this section, as all relevant information referenced in the CDP has already been drawn from the documents attached in the previous sections and from the NFS, which we have also reattached below.

(13.2.2) Attachment (optional)

ERG_Non Financial Statement 2023.pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

CEO

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)
[Fixed row]