





EXECUTIVE SUMMARY 2024

Consolidated Sustainability Report

Our approach to ESG

INSPIRING CHANGE TO POWER THE FUTURE

ERG
EVOLVING ENERGIES

CONTEXT

2024 was a crucial year in many respects, on the climate and political and social fronts.

From a climate perspective, 2024 was marked by an unprecedented rise in global temperatures, with an average increase of more than 1.5 °C compared to pre-industrial levels. This contributed to extreme events including devastating fires and intense weather phenomena, underlining the intensification of climate change, which continues to be one of the main global challenges.

At the political level, Donald Trump was elected President of the United States, who withdrew the US from the Paris Agreement in addition to favouring policies to benefit the fossil fuel industry, slowing down global efforts to combat global warming. In addition, the situation in the United States has brought a significant change in the approach to *Diversity & Inclusion* (D&I) policies.

In particular, the withdrawal from initiatives such as those related to racial fairness and access to employment opportunities for minorities, as well as the limitation of diversity awareness-raising and training programmes, is having a negative impact on the growth of an inclusive culture.

At European level, 2024 marked a significant turning point in the sustainability reporting landscape: the introduction of the new CSRD (Corporate Sustainability Reporting Directive) expanded and tightened the reporting obligations of companies, requiring a greater commitment to the transparency of information related to the ESG (environmental, social and governance) sphere. Although this directive represents an important step towards greater accountability, the adoption of more complex standards risks diverting attention from the real global challenges like climate change and social inequalities, which should be at the heart of any sustainability strategy. Among other things, the CSRD could see its scope of application restricted in the future, as envisaged in the what is known as the "Omnibus Package" of the European Union.

It is within this challenging context that our Group continues to maintain a clear and determined sustainability strategy.

As a leader in the renewable energy sector, we continue to invest in wind and solar power, strengthening our commitment to the energy transition and contributing to a green future. Our decarbonisation strategy envisages the Net Zero objective by 2040 certified by SBTi, in line with the threshold necessary to keep the global temperature increase within 1.5 °C. For us, consistency with climate objectives represents a duty towards future generations and the sustainability of the planet.

Moreover, despite a global context that seems increasingly less favourable to diversity and inclusion policies, we continue to strive to ensure a professional environment based on non-discrimination and respect for diversity and multiculturalism, and to promote an inclusive culture. In August 2024 we obtained Gender Equality Certification for our activities in Italy, an important recognition of the path we have achieved in this area.

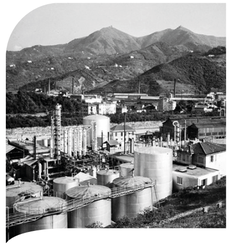
This Executive Summary of Sustainability at ERG (2024 edition) aims to provide a strategic summary of our commitment to the energy transition and the creation of sustainable value. The document highlights the main initiatives in the ESG (Environment, Social, Governance) sphere and the progress achieved last year in reaching the main objectives of the ESG Plan.

Through a transparent approach based on concrete data, ERG intends to strengthen its role as a leader in renewable energies, contributing to a low-carbon future.

WE ARE ERG

1947

Production begins at the refinery in Genoa San Quirico



1997

ERG listed on the stock market



2006

Entry into Renewables: acquisition of EnerTAD



2010

Start-up of ERG Power's combined cycle power plant (480 MW)



2014

Sale of the ISAB Energy plant and ERG Oil Sicilia fuel networks



2018

Entry into the **solar** sector: 30 photovoltaic plants acquired in Italy (89 MW). Definitive exit from the oil sector with the sale of TotalERG



2021

Solar: entry in France (79 MW).
Wind: entry in Sweden, and start of operations in the United Kingdom



2023

Sale of the thermoelectric business. Start-up of 2 wind farms subject to repowering. Further growth in solar in Spain (+149 MW)



1938



Foundation of ERG in Genoa, by Edoardo Garrone

1975



Production begins at the ISAB refinery in Priolo

2000



ISAB Energy: production and marketing of electricity begins from the gasification of heavy refinery residues

2008



Sale to LUKOIL of 49% of the ISAB refinery

2013



ERG 1st wind operator in Italy (1,087 MW) and among the top 10 in Europe (1,340 MW). Acquisition of a company for O&M activities of the wind farms. Definitive exit from refining

2015



Entry into the **hydroelectric** business with the purchase of the Terni Complex (527 MW).
Wind: growth in France and Poland (+146 MW)

2019



Solar capacity increases to 141 MW with the purchase of 51 MW in Italy. Wind: further growth in France and Germany (+86 MW)

2022



Sale of the hydroelectric business. **Solar**: entry in Spain (92 MW). **Wind**: 172 MW acquired in Italy, and ~230 MW started up in Europe.
IFM NZFI indirect shareholder (with 35% in SQ Renewables SpA), alongside the Garrone-Mondini Family

2024



Entry into the USA: partnership with Apex (317 MW wind and solar). Growth in France (+114 MW wind and solar), and start-up of 2 wind farms subject to repowering. IFM NZFI increases its stake in SQ Renewables SpA to 49%

WE ARE ERG #VALUES



"Over the years we have been able to combine our history and our ethical values with innovation, anticipating change and completing the energy transition towards a sustainable model. We have faced every challenge with passion, driven by the desire to create value for all stakeholders. Even in a complex and uncertain context, we continue to look to the future with a strategic vision, inspiring change towards the energy of tomorrow."

Edoardo Garrone
Chairman of the Board



"We are proud of the growth and achievements of our people in a complex context. Sustainability is an integral part of our business model, an indispensable principle that guides our evolution. We do this by promoting inclusion and enhancing talent, to build teams of excellence ready to face the challenges of the market with enthusiasm, with the aim of leaving a better world for future generations."

Alessandro Garrone
Executive Deputy Chairman



"We find ourselves in a changing, uncertain context, more aware of the consequences of climate change than ever before. We therefore want to continue our energy transition path and believe that renewable energies are safe and accessible sources that represent the key to a sustainable future. For this reason, the essential objective is precisely the continuous improvement of the industrial performance of our assets. We want to pursue a path of sustainable growth that generates positive impacts on our people and in the territories where we operate."

Paolo Merli
Chief Executive Officer

PURPOSE, VISION & MISSION

PURPOSE

We inspire change to power the future

- Unprecedented industrial transformation
- Inclusive and ethical approach
- Financial strength
- Sustainable and equitable energy transition
- Contribution of our people to the fight against climate change

VISION

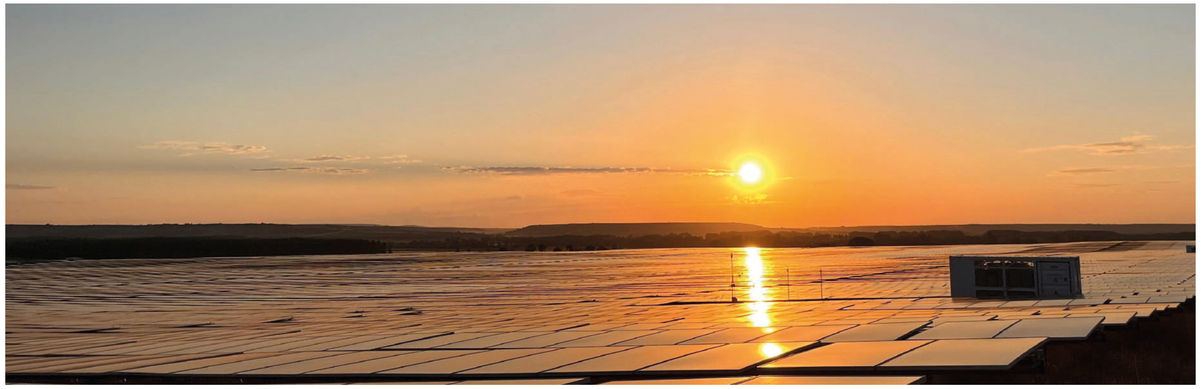
We pursue sustainable growth

- Continued growth in the international renewables market
- Spreading our values
- Proven ability to develop and anticipate trends and quickly seize opportunities
- Long-term vision

MISSION

Pioneers of the clean energy shift

- Commitment to supporting the energy transition for businesses, people and communities
- Sound industrial approach
- Implementation of valuable projects, respecting the needs of local communities
- Pride, passion and team spirit



ERG IN 2024

Feb

Power Purchase Agreement (PPA) with Google for a total of 2 TWh

Conclusion of the share buy-back programme

Start-up of the Roccapalumba wind farm (47 MW)

Apr

IFM NZFI at 49% in SQ Renewables SpA

Start-up of the 3rd wind farm subject to repowering (Mineo-Militello-Vizzini, 101 MW)

May

Presentation of the Business Plan and the 2024-2026 ESG Plan: growth in renewables with a flexible approach "Value over Volume"

Jun

Fitch Rating confirms ERG's "BBB-" rating with stable outlook

Issue of the 4th Green Bond for 500 €M

Jul

Start-up of the Limousin 1 wind farm (9 MW)

Aug

Start-up of the Bourgogne 1 wind farm (32 MW)

Nov

Share buy-back programme launched

Dec

Start-up of the 4th wind farm subject to repowering (Salemi-Castelvetrano, 76 MW)

EIB loan of 243 €M for the development of renewable energy in Italy, France and Germany

Agreement for the acquisition of the Broken Cross wind farm (43 MW)

Power Purchase Agreement (PPA) with Duferco Energia for a total of 0.5 TWh

ERG IN 2024: ESG MILESTONES AND AWARDS

Jan

Corporate Knights

ERG 1st Italian company in the "Global 100 most sustainable corporations in the world"

TIM ERG ACADEMY

Launch of the TIM and ERG Academy project
"Missione ambiente - generations at school for sustainability"

Feb

CDP DRIVING SUSTAINABLE ECONOMIES

Confirmation of inclusion in the "A List" of the Carbon Disclosure Project, and recognition of "Leadership" in all areas analysed

Gender Equality Policy approved

Mar

SOCIAL PURPOSE SOLAR REVAMPING – ERG

Presentation of "Social Purpose for Solar Revamping", a circular economy project to provide energy to NGOs by reusing solar panels from ERG plant revamping activities

Jul

MSCI

Confirmation of the "AAA" Rating by MSCI

ESG IDENTITY Erg

ERG ranked 4th in the ESG Identity Corporate Index 2024

Aug

SISTEMA DI GESTIONE PARITÀ DI GENERE CQY CERTIQUALITY UNI/PDR 125:2022 | ORGANIZZAZIONI UNI

Gender Equality Certification UNI/PdR 125:2022 for activities in Italy

Sept

Dynamo Camp Right to happiness

Launch of project to reuse ERG solar panels for Dynamo Camp ETS Foundation

Oct

GRESB

ERG ranked 2nd in Europe in the "On-Shore Wind Power Generation" sector of the ESG GRESB rating

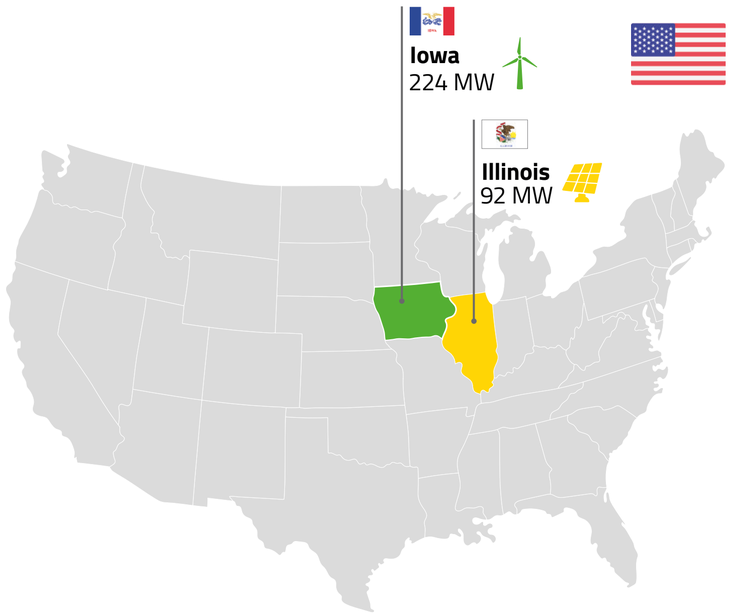
S&P Global

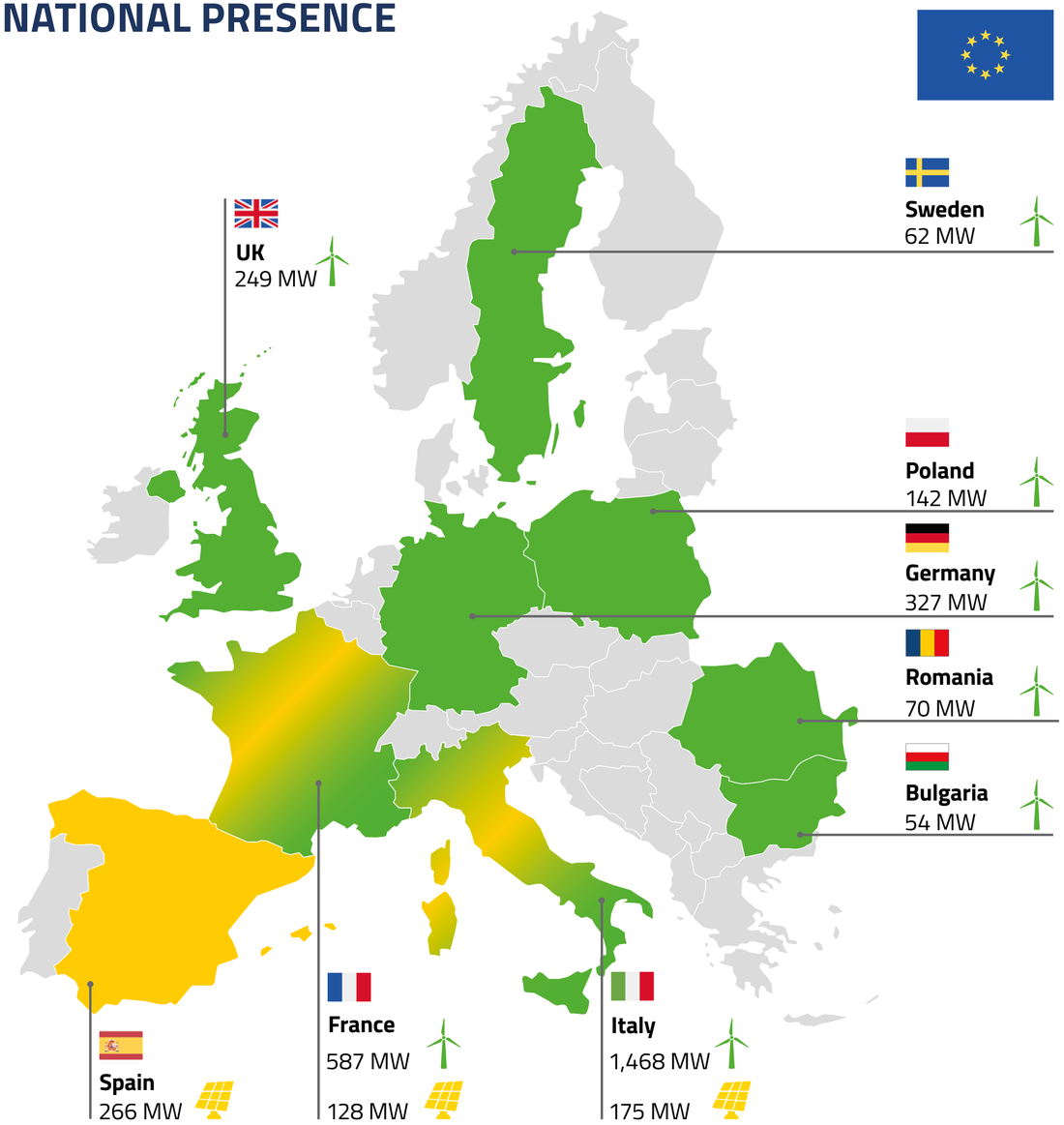
Improved score in the S&P Global Corporate Sustainability Assessment (CSA) to 75

THE ERG GROUP: A RENEWABLE OPERATOR WITH A SOLID INTERNATIONAL PRESENCE

TOTAL: 3,845 MW

Wind: 3,184 MW
Solar: 661 MW



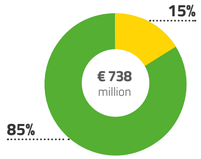
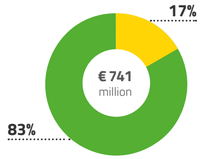
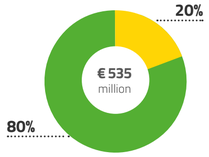
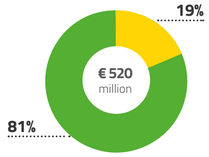
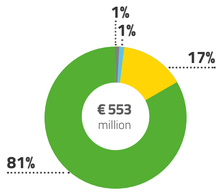
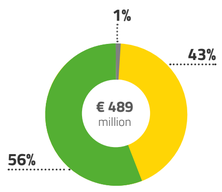


UNDER CONSTRUCTION: 134 MW

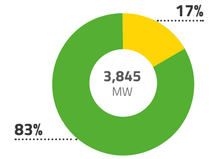
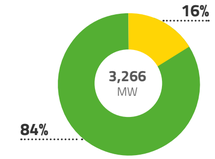
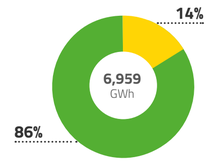
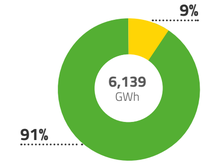
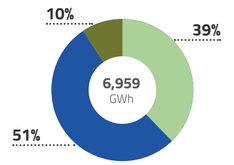
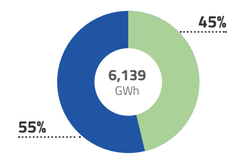
France wind power: 41 MW
Germany wind power: 28 MW
UK wind power: 47 MW
Solar Revamping: 5 MW
Italy Storage: 13 MW

KEY ECONOMIC AND OPERATING INDICATORS

ECONOMIC DATA

	2024	VS	2023	= Δ
Revenue				-0%
EBITDA[1]				+0%
Capital expenditure				+13%
Net financial indebtedness[2]	**€ 1,793** million		**€ 1,445** million	+24%

OPERATING DATA

	2024	VS	2023	= Δ
Installed capacity				+18%
Energy production by business				+13%
Energy production by geography				+13%
Employees at the end of the year	**660**		**636**	+4%

Wind | Solar | Storage | Corporate | Italy | Rest of Europe | USA

(1) EBITDA for 2023 restated to include the impact of IFRS 16
(2) Net financial indebtedness does not include IFRS 16 debt

KEY ESG INDICATORS

PLANET

	2024	2023	= Δ
CO_2 avoided equal to no. flights from London to New York	2,401 kt 4,802 flights	2,087 kt 4,174 flights	+15.0%
Wind and solar circular economy	100% 92%	100% 93%	- -1.0%
Carbon Index	CO_2 30.5 g CO_2 e/KWh	CO_2 28.6 g CO_2 e/KWh	+9.2%

ENGAGEMENT

	2024	2023	= Δ
Contribution to local communities	1.3% k euro	1.2% k euro	+0.1%
Students involved in educational activities	25,480	23,407	+8.9%
Social purpose projects	4	2	+2

PEOPLE

	2024	2023	= Δ
Employees at the end of the year	68.9% 660 31.1%	69.3% 636 30.7%	+3.8%
Key female leaders	19%	18%	+1.0%
Training per employee	5.3 days	6.0 days	-11.5%

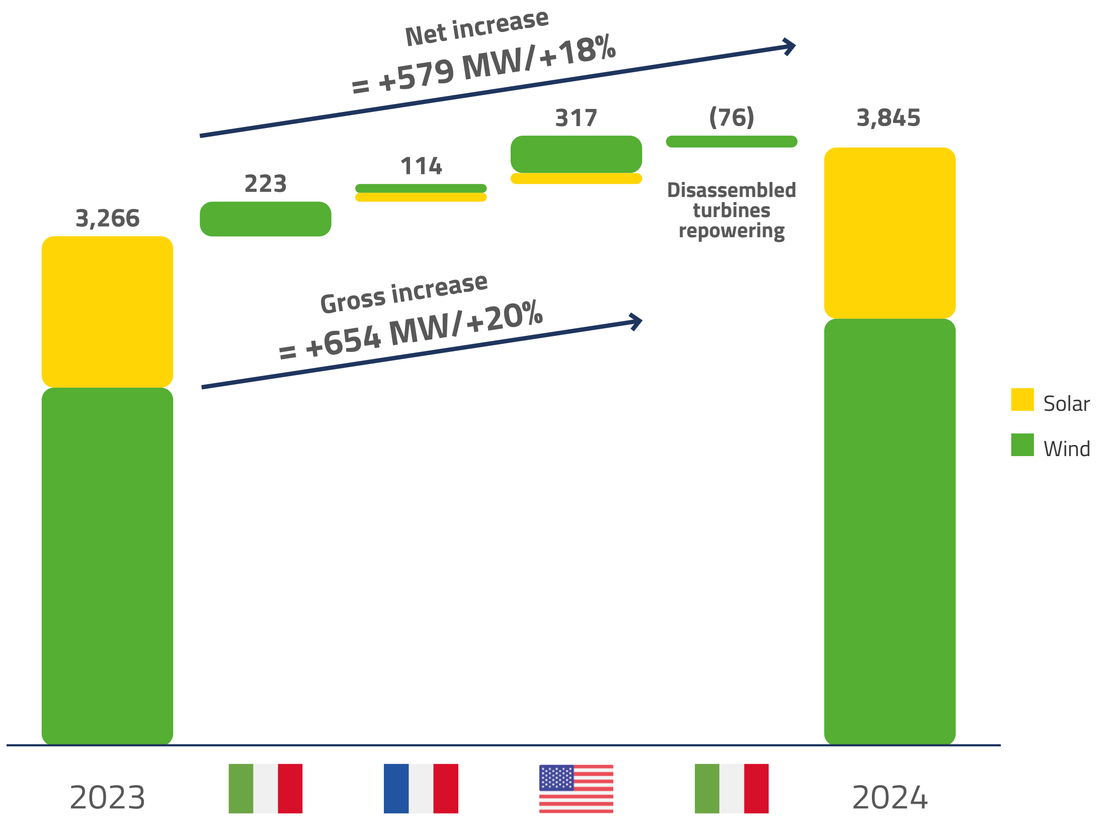
GOVERNANCE

	2024	2023	= Δ
Composition of the BoD	50% 12 50%	58% 12 42%	+8.0% Incidence of women
Average ESG score of strategic suppliers	64.4	64.1	+0.3%
ESG Finance	95%	95%	-

BUSINESS PLAN - RESULTS TO DATE

	OBJECTIVES OF THE UPDATED 2024-2026 BP	RESULTS FROM 1.01.2024 TO 31.12.2024
Renewable Portfolio Growth	▪ Installed capacity of approximately **4.5 GW (+1.2 GW)** in 2026 **(> 5.0 GW in 2028)**, through targeted selection from our pipeline and/or M&A	▪ **+654 MW gross** (+579 net)
Investments/ EBITDA	▪ **CAPEX: EUR 1.2 billion for 2024-2026; EBITDA: 600-650 €M by 2026**	▪ 553 €M @2024
Market Strategy	▪ **Target confirmed: 85%-90% of EBITDA**regulated through CFDs and PPAs	▪ **PPA with Google** for **2 TWh** ▪ **Duferco Energia PPA** for **0.5 TWh**
Value Creation	▪ **IRR without target leverage of 200-400 basis points above the WACC**	▪ **IRR "on track"**
Geographical diversification	▪ **~10 countries in 2024:** Selective prioritisation of geographical areas; ▪ Assessment of **asset rotation** opportunities ▪ Target **of 0.5-0.7 GW in the United States**	▪ Increased presence **in Italy (+223 MW gross = +148 MW net), in France = +114 MW and US = +317 MW**
Storage, hybrid systems and digitalisation	▪ Development of storage and hybridisation solutions to increase the flexibility of the asset portfolio ▪ Digitalisation to optimise asset performance	▪ Vicari storage project launched (expected to be operational in 2025)
ESG	▪ Leverage the 2021-2023 ESG track record to pursue new objectives in all sectors	▪ **Score improvement in main ESG ratings** ▪ **ERG enters S&P Global Sustainability Yearbook 2025 as Top Performer**
Enhanced Redemption to Shareholders	▪ **Annual remuneration to shareholders with a minimum of EUR 1 per share as dividend and a maximum of EUR 1.3 per share based on annual performance and prospects (upside payable also through buyback)**	▪ **Dividend** of **1 EUR per share**

OUR GROWTH IN 2024



ESG, A STRATEGIC PRIORITY TO ADDRESS FUTURE CHALLENGES



Net Zero 2040 objectives to continue the decarbonisation process
Circular Economy to minimise waste in wind repowering
Protection of Natural Capital: in our organic RES development

Sharing value with local communities
ERG Academy to involve the future generation in the energy transition

Safety is a priority in all our actions
DEI&B[1] well-defined objectives to foster engagement and empowerment

Strengthening the governance model by promoting ethical and responsible business conduct
Involving the supply chain in decarbonisation, D&I and the protection of human rights

2024 REPORTING OF THE ESG PLAN

Net Zero: Net Zero strategy on track; 74% ecological company cars

Circular economy: Wind Repowering: 100% recovery; Solar Revamping: 92% recovery

Biodiversity: 100% internally developed plants with Biodiversity Assessment

ERG Academy for Next Generation : 25,480 students involved

1% for the Community: 1.3% of revenue for local communities

Trust & Reputation: Top performer in the main ESG ratings

Social Purpose for Solar Revamping: 4 projects completed in Italy

ERG Academy for our People: 71.5% ERG People with personal development plan; 99.7% ERG People with actual participation in at least one training activity

Diversity & Inclusion: 19.2% women among key leaders; 23.3% key leaders abroad; 31.1% women in workforce

Employees' well-being: Performance bonus conversion in Italy; Solidarity holidays in 8 countries; 8/10 days of Remote Working per month; 100% health/life insurance

Health & Safety, always: Frequency index = 2.49 (FI Severe = 1.50); Severity Index = 0.14

Sustainability Incentives: 100% MBO/LTI with ESG objectives (on track)

Enhancing governance model: 2024 Objective in relation to the deadlines of the Boards of Statutory Auditors; ERG S.p.A. BoD: 50%; Supervisory Bodies: 64%; Boards of Statutory Auditors: 50%

Tax Control Framework: Tax Control Framework (on track)

Sustainable Procurement: 64.4% average score of strategic suppliers; Suppliers with carbon footprint: 46.4%; Suppliers with D&I Policy: 64%

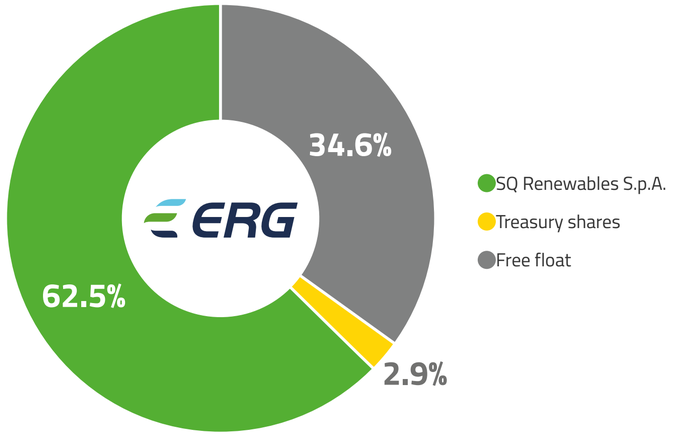
ESG Finance: 95% of Green Loans

Cyber Security: Courses issued in year 9; Participation rate 85%

(1) Diversity, equity, inclusion and belonging

OUR SHAREHOLDERS

OWNERSHIP STRUCTURE AT 31.12. 2024





OUR SUSTAINABILITY GOVERNANCE MODEL

BOARD OF DIRECTORS

Defines the Group's principles of conduct, summarised in the Code of Ethics and the Sustainability Policy, and approves the Non-Financial Statement.

CONTROL, RISK AND SUSTAINABILITY COMMITTEE

Supports Board evaluations and decisions related to:
- the ICRM System;
- the approval of periodic financial reports and those related to Group Governance;
- sustainability, in particular the approval of the ESG Plan and the Consolidated Sustainability Report and decisions relating to specific topics (e.g., Climate Change);
- compliance with the requirements of Italian Legislative Decree no. 231/01 and anti-corruption guidelines;
- Finance Area and Risk Management.

CEO

Responsible for ESG activities.

SUPERVISORY BODY

Performs the role of Ethics Committee and is responsible for:
- monitoring the effectiveness of the 231 Model and compliance with the Code of Ethics;
- ensuring that the 231 Model and Code of Ethics is updated;
- providing training on the Code of Ethics and on 231 topics;
- assessing the 231 reports.

ESG COMMITTEE

Consisting of the Chairman, the Executive Deputy Chairman, the CEO, all first reports to the CEO:
- defining the Group's orientations on sustainability;
- approves the ESG Plan;
- approves the Communication Plan (external and internal);
- drafts the Consolidated Sustainability Report;
- also operates as the Green Bond Committee;
- operates as a D&I steering committee (from 23/02/2024).

HUMAN CAPITAL COMMITTEE

- nurtures the development of people;
- evaluates and verifies reports of possible violations of the Human Rights Policy.

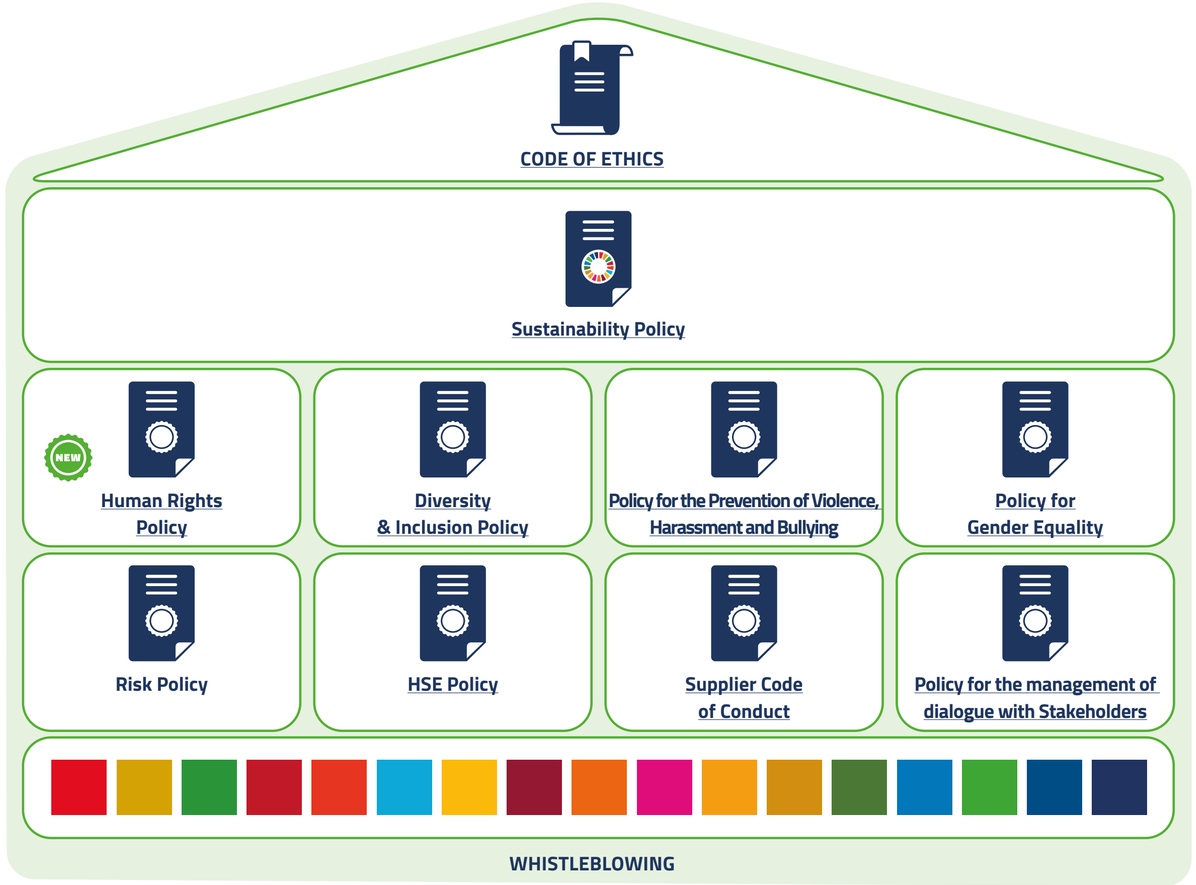
ESG FUNCTION

Within the ESG, IR & Communication Department, it is responsible for:
- taking care of the definition and evolution over time of the ESG Plan and budget;
- monitoring the execution of the ESG Plan by interfacing with the Working Group;
- drafting the Consolidated Sustainability Report and liaising with ESG rating agencies.

ESG PLAN WORKING GROUP

- supports the ESG department in defining the actions to be included in the ESG Plan;
- monitors the progress of the actions of the ESG Plan;
- provides reporting support for the Consolidated Sustainability Report.

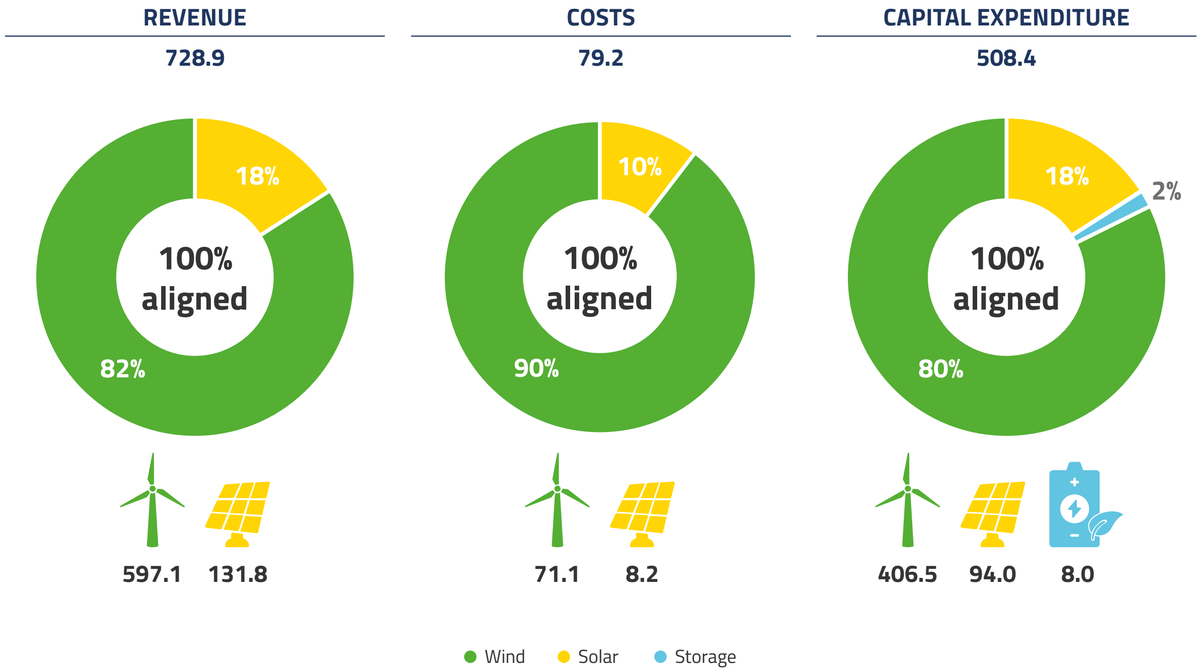
OUR SUSTAINABILITY POLICIES



In 2024, we updated the **Human Rights Policy**. The changes introduced include: the implementation of the Diversity & Inclusion Policy (D&I, Anti-Harassment and Gender Equality Policy) and best practices on the "Due Diligence Directive" (supply chain verification system and reports).**The document was approved in the BoD on 13 December 2024**.

THE EUROPEAN TAXONOMY

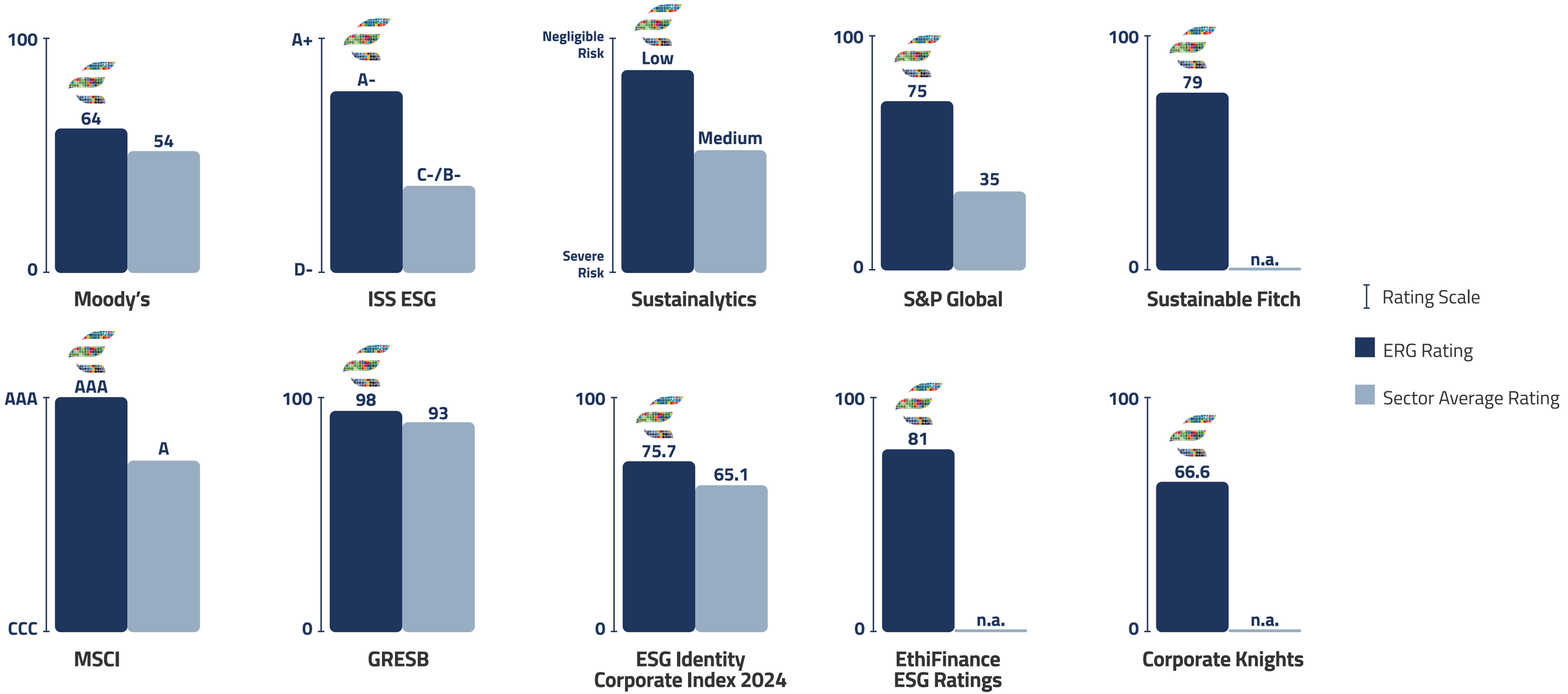
2024 ANALYSIS RESULTS (€M)



Reported Data
For the purposes of the Taxonomy, the following were considered:
Revenue: Consolidated revenue (738.1 €M) net of the fair value of hedges (7.7 €M in revenue) and the contribution of Corporate (1.4 €M in revenue) for a total net amount of 728.9 €M
Costs: Costs of only maintenance (70.1 €M) and personnel (9.2 €M) for a total of 79.2 €M
CapEx: Consolidated CapEx (553.0 €M) net of goodwill (41.5 €M) and structural investments (3.1 €M) for a total net amount of 508.4 €M
Capital expenditure also includes intangible concessions and licences.

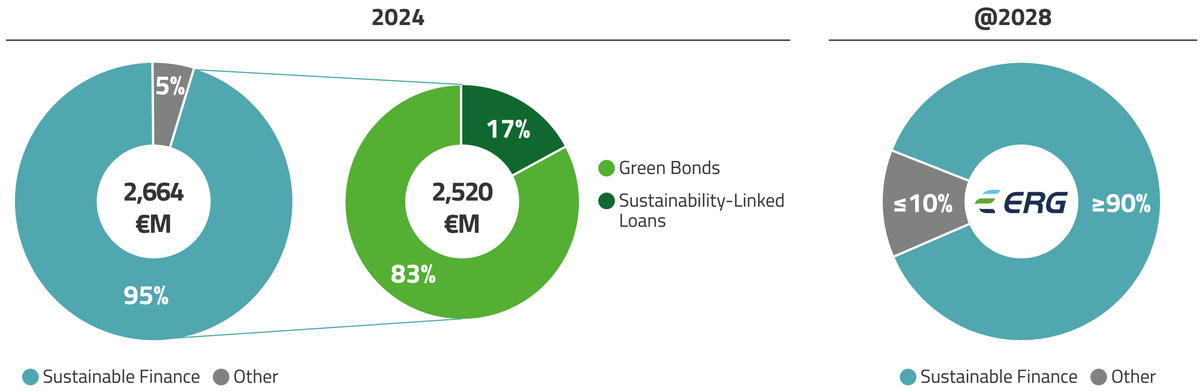
ERG'S ESG RATINGS AND SUSTAINABILITY AWARDS

ERG listed in S&P Global Sustainability Yearbook 2025 as Top Performer



SUSTAINABLE FINANCE

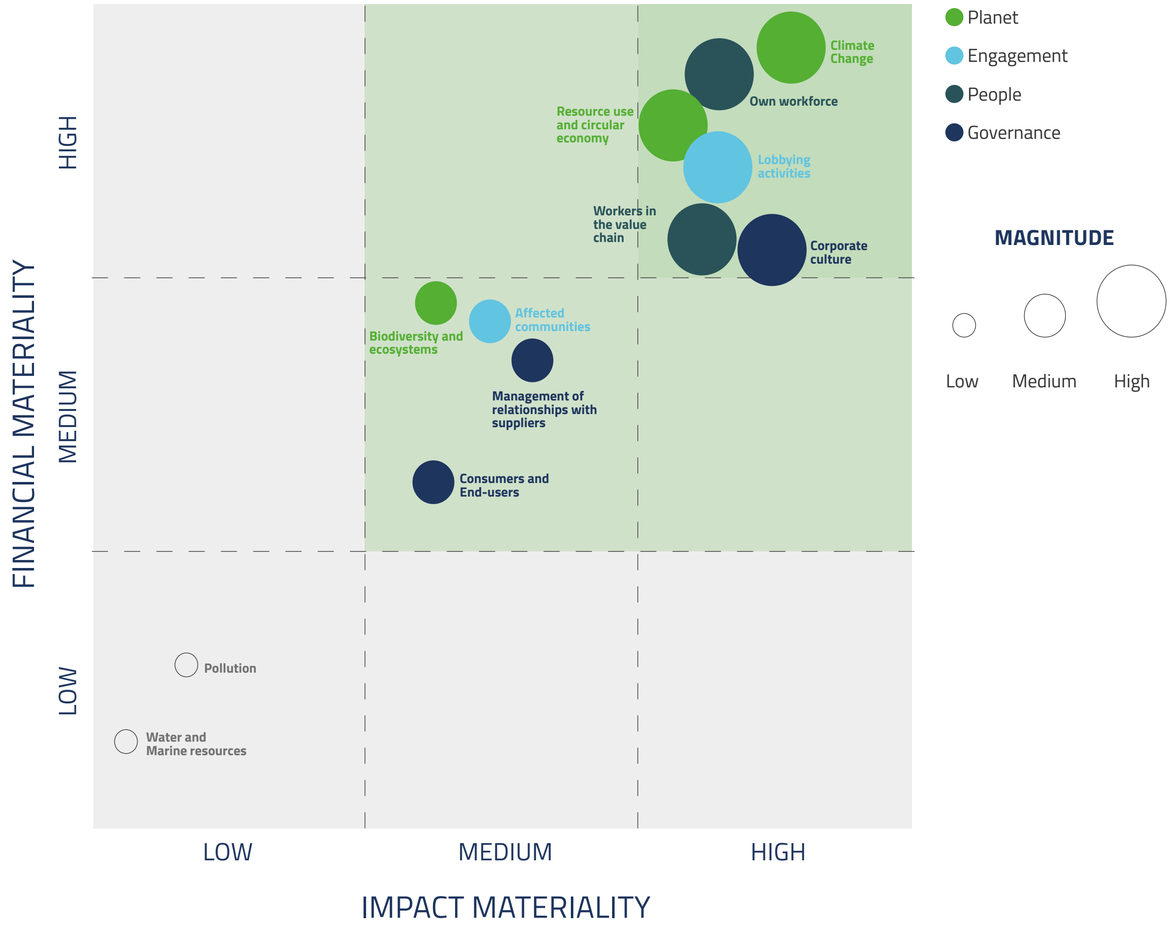
Sustainable finance is an integral part of our capital structure and is the predominant component of the Group's funding sources, which at the end of 2024 consisted of approximately 95% Sustainable Finance, equal to 2,520 €M on a total gross debt of 2,664 €M (in face value).



DOUBLE MATERIALITY

With the entry into force of the new Corporate Sustainability Reporting Directive (CSRD) and the adoption of the ESRS 1 - General Requirements reporting standard, companies must comply with the double materiality criterion as a basic requirement of the Consolidated Sustainability Report. The ERG Group therefore confirmed the Double Materiality approach already used in the previous two years, and updated it during 2024 with the involvement of all key stakeholders. In addition, an "Expert Session" was introduced, involving consultants and university teachers with expertise in CSRD, value chain and decarbonisation processes to better assess potential relevant topics for ERG. The results of the analysis identified the ten Material Topics for the ERG Group, among those indicated by the CSRD. The 2024 Materiality Matrix was submitted for approval by the ESG Committee on 5 December 2024 and the Control, Risk and Sustainability Committee on 10 December 2024.

DOUBLE MATERIALITY 2024



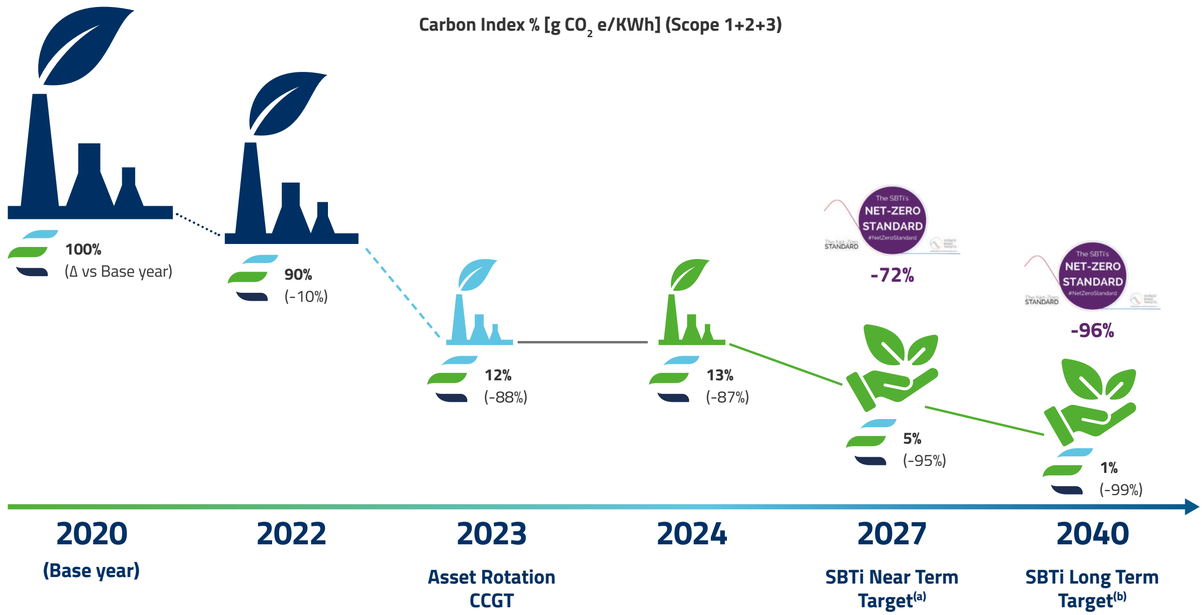


PLANET

ERG is among the top 15 companies in the world[1] and the first two in Italy in the Electric Utilities and Independent Power Producers sector to have obtained certification of its decarbonisation targets by the Science Based Targets initiative. In the ESG Plan, ERG's commitment envisages the achievement of the Net Zero target by 2040, in line with the threshold necessary to keep the global temperature increase within 1.5 °C, and is developed through specific actions in the short term (near-term target at 2027) and in the long term (long-term target at 2040).

OUR PATH TO NET ZERO

Carbon Index % [g CO_2 e/KWh] (Scope 1+2+3)

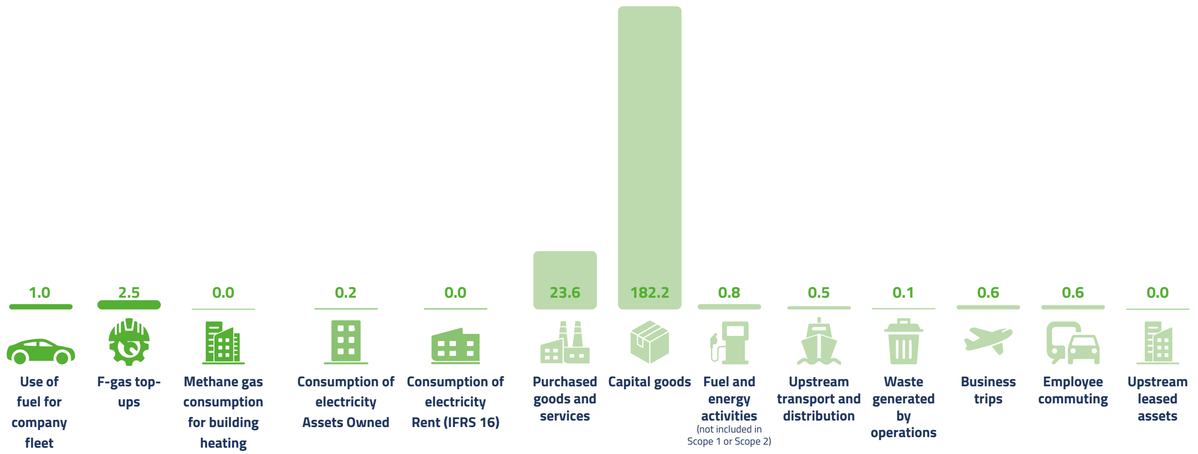


NET ZERO target approved by SBTi

(a) In the short term:
- reduction of direct (Scope 1) and indirect GHG emissions from energy consumption (Scope 2) by 72% per MWh by 2027 compared to 2020;
- increase in renewable energy consumption from 94% in 2020 to 100% in 2030;
- reduction of direct (Scope 1) and indirect GHG emissions from energy sale (Scope 3) by 70.4% per MWh by 2027 compared to 2020.

(b) In the long term:
- reduction of direct (Scope 1) and indirect GHG emissions from energy consumption (Scope 2) by 94.8% per MWh by 2040 compared to 2020;
- reduction of direct (Scope 1) and indirect GHG emissions from energy sale (Scope 3) by 95.3% per MWh by 2040 compared to 2020;
- reduction of other indirect GHG emissions (Scope 3) by 97% per MWhe by 2040 compared to 2020.

OUR EMISSIONS ($ktCO_2e$)



SCOPE 1
3.5 Kton (weight 1.6%)

SCOPE 2
0.2 Kton (weight 0.2%)

SCOPE 3
208.3 Kton (weight 98.3%; +22% YoY)

OUR RENEWABLE ENERGY CONSUMPTION



1 As per press release of 7 July 2023.

DECARBONISATION - RENEWABLES' CONCRETE HELP FOR THE PLANET

Italy	France	Germany	East Europe	United Kingdom and Sweden	Spain	USA	TOTAL
= 1,643 MW installed	= 715 MW installed	= 327 MW installed	= 266 MW installed	= 311 MW installed	= 266 MW installed	= 317 MW installed	= 3,845 MW installed
2,720 GWh	1,210 GWh	568 GWh	710 GWh	588 GWh	479 GWh	684 GWh	6,959 GWh
538 k	187 k	95 k	193 k	114 k	96 k	58 k	1,281 k
964 kt	382 kt	187 kt	222 kt	200 kt	178 kt	268 kt	2,401 kt
1,928 flights	764 flights	374 flights	444 flights	399 flights	357 flights	537 flights	4,802 flights

Energy production

Number of households supplied with energy produced by our plants

CO_2 avoided

no. London-New York flights (estimated 0.5 kt CO_2/flight)

CIRCULAR WIND IN REPOWERING PROJECTS

The repowering projects of the wind farms follow the virtuous circular economy path: in 2024, the construction sites for two repowering projects involved the dismantling of 32 WTGs, all of which were resold in the second-hand market to third parties. The 32 WTGs dismantled relate to the repowering projects of Castelvetrano-Salemi (30 WTG) and Reinsdorf (2 WTGs), described below. This approach has made it possible to extend the useful life of 100% of the dismantled wind turbines, avoiding sending the material to landfills.

Circular Repowering

RECOVERY OF WIND TURBINES (WTGS) - REPOWERING 2024

32 turbines dismantled in 2024



WTG recovered (second-hand market)

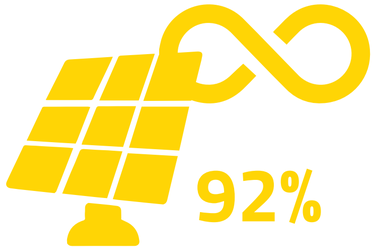
CIRCULAR SOLAR IN REVAMPING PROJECTS

The revamping projects of the solar farms were also dismantled under the banner of circular economy: the modules disassembled in 2024 were transferred to authorised consortia (which through internal processes allows the recovery of at least 85% of the materials that make up the panels) while the structures (composed of metals) were 100% recovered. In total, 92% by weight of all materials disassembled from the solar farms could be recovered.

Circular Solar

MODULE RECOVERY - SOLAR REVAMPING 2024

9 solar farms dismantled (24.7 MW)



Overall recovery (photovoltaic modules and structures)

THE REPOWERING OF SALEMI-CASTELVETRANO

The Salemi-Castelvetrano wind farm, in the province of Trapani, completed its repowering operations in December 2024. This project involved the replacement of 30 old wind turbines (100% recovered in 2024) with 18 new wind turbines of 4.2 MW each, bringing the total capacity to 75.6 MW.
The renovated park will generate an estimated annual output of 208 GWh/year, about four times that of the existing plant (50 GWh/year): a significant contribution that represents a fundamental step in our country's energy transition.







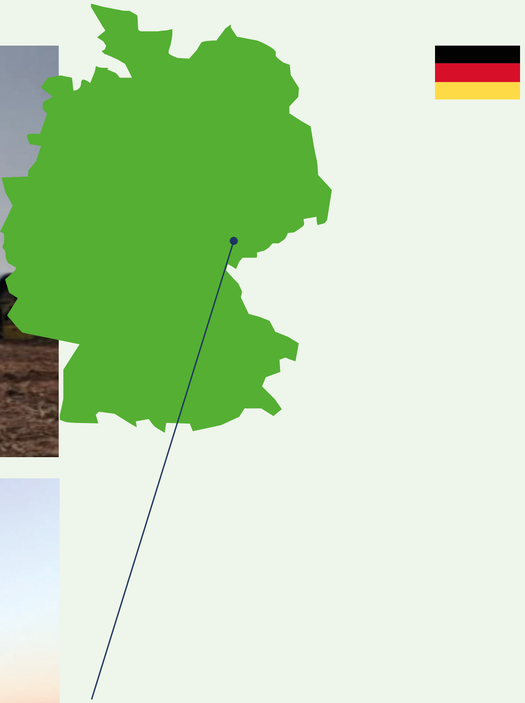
18 turbines
Total installed capacity: **75.6 MW**
Annual production: **208 GWh**
Coverage of daily needs for **41,131 households**
CO_2 emissions avoided: **74 tonnes per year**

THE REPOWERING OF REINSDORF

Another repowering project relates to Reinsdorf, in the eastern part of Germany in Saxony, with the entry into operation of new wind farms.
The project involved the dismantling of two 1.5 MW wind turbines with a hub height of 96 m and the subsequent installation of a new Vestas V162 turbine of 6.0 MW with a hub height of 166 m. The installation of a single turbine has doubled the power of the plant.







1 turbine
Total installed capacity: **6.0 MW**
Annual production: **11 GWh**
Coverage of daily needs for **1,833 households**
CO_2 emissions avoided: **4 tonnes per year**

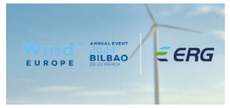

ERG LAB: THE POTENTIAL OF WIND
REPOWERING TOWARDS 2030 TARGETS

ENGAGEMENT

ERG'S INTERNATIONAL FORUMS AND EVENTS

March

ERG actively participated in the event with the Head of Legal Affairs of ERG France, Nicolas Smadja, and the Chief of Regulatory and Public Affairs Officer, Luca Bragoli, contributing to panels on the topics of Permitting Developments in Southern Europe, respectively.



September

WindEnergy Hamburg
The global on & offshore event

ERG was present with a stand and team dedicated to the main global event on wind energy, which presents the latest innovations and solutions along the entire value chain of the sector, bringing together the main players, experts and stakeholders to guide the future of wind energy.

October

At the most important event in the wind energy sector in France, ERG had the privilege of hosting the Minister for Energy, Olga Givernet, at its stand thanks to the introduction of France Renouvelables. In addition, Samy Beltaief, Head of Public Affairs, and Nicolas Smadja, Head of Legal Affairs, represented ERG France in panels on Repowering and PPA.



December

Wind EUROPE EoLIS 2024
4-5 DECEMBER
GOTHENBURG

The Head of ERG's Feasibility Engineering Department participated in the WindEurope Seminar on End-of-Life Issues and Strategies, the annual event dedicated to the management of wind turbines at the end of their life cycle and strategies to maximise sector efficiency.

ERGLAB MORE AND MORE INTERNATIONAL

ERGLab is our think tank on the topics of energy and ecological transition. Launched in Italy in 2014, it aims to involve key experts and institutional stakeholders through thematic round tables. In 2024, we organised no fewer than eight ERGLabs, five of which were held in Italy, two in the UK and an international special edition in France marking the tenth anniversary of the concept, addressing the topics of greatest relevance for the advancement of decarbonisation and renewables at this particular moment in history.

March

1st ERGLab Italy (Rome)

The node of connections: obstacles and opportunities for the energy transition

April

2nd ERGLab France (Paris)

Synthèse - Round table on Sharing Value

June

3rd ERGLab Italy (Rome)

Centralise or regionalise? An initial evaluation of the environmental assessment of renewable energy plants

September

4th ERGLab Italy (Rome)

Hybrid renewable plants: challenges and opportunities to achieve RES targets in Italy

November

5th ERGLab UK (Belfast)

Progress on the NI Constraints Crisis

6th ERGLab Italy (Rome)

RES and the role of the Regions in energy planning in Italy: between suitable areas and acceleration zones

7th ERGLab International - 10th anniversary (Paris)

Policy Brief: The Potential of Wind Repowering towards the 2030 Goals - Challenges and Political Requests

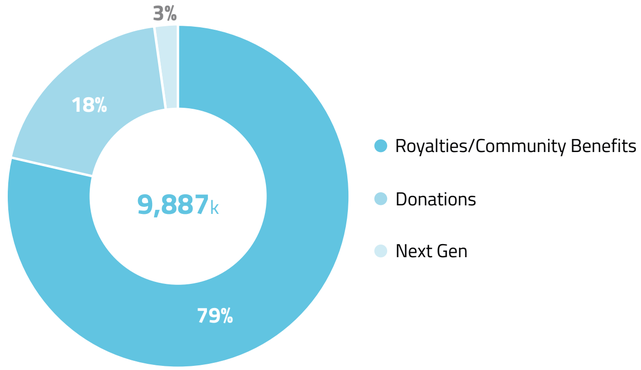
STRENGTHENING ENGAGEMENT WITH LOCAL COMMUNITIES

Our strategy is based on creating shared value, recognising that our plants have a positive impact in the fight against climate change, improving the lives of the local communities where they are present and helping to reduce energy dependency. Our activity is not limited to issuing donations to entities and associations that propose initiatives of interest; we work with the most representative institutions and organisations to share the value generated with our communities.



SHARING VALUE FOR THE GROUP

COMMUNITY SHARE AS A PERCENTAGE OF REVENUE 1.3%





OUR SOCIAL PURPOSE FOR SOLAR REVAMPING PROJECTS CARRIED OUT IN 2024

Comunità di Sant'Egidio - Malawi

40 kWp solar plants + 40 kWh batteries

Installation completed in July 2024




Parallelo Lab - Italy_Varese

10 kWp solar plants

Installation completed in February 2025




SOCIAL PURPOSE FOR SOLAR REVAMPING

ERG

Boky Mamiko - Madagascar

10 kWp solar plants + 10.8 kWh batteries

Installation completed in July 2024




Banco Alimentare - Italy_Catania

20 kWp solar plants

Installation planned by March 2025

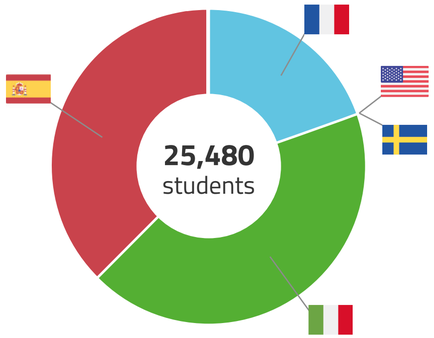



ERG ACADEMY FOR THE NEXT GENERATION

ERG Academy offers educational content on the energy transition, the development of renewables and sustainability through a wide range of initiatives: workshops, testimonials, lessons, sponsorships, plant visits, project work, internships, school-work programmes and participation in festivals.

ACADEMY 2024 - INVOLVING THE NEXT GENERATION





PROGRAMMES

Italy
Initiatives such as Next Generation ERG, Missione Ambiente, School Project and STEM Role Models involve students from lower and upper secondary schools. Through different learning methods, girls and boys discover the world of renewables, the energy transition, environmental and social sustainability, as well as the professions at ERG.

France
ERG collaborates with Terre Avenir to propose conferences and activities that raise students' awareness of the current and future impacts of energy consumption, the state of reserves and climate indicators. The programme aims to raise awareness of the work of scientists in the field, offering a realistic view of the consequences of climate change and possible solutions to reduce environmental impact and conserve resources.

Spain
In collaboration with Fundación Yehudi Menuhin, ERG promotes workshops on renewable energy, circular economy, diversity and inclusion. Through art and physical expression, boys and girls explore the theme of energy, its responsible consumption and the value of sustainability, while discovering the uniqueness of each individual.

Masters and Specialisations
ERG supports advanced training with various academic paths:

- *Master's Degree in Energy and Sustainability University of Genoa*
- *SAFE Master's Programme in Energy Resource Management*
- *International Master's Degree between the USA and Italy with the Genoa Entrepreneurship School*

These programmes are designed to train the leaders of the future, developing technical and managerial skills in the energy sector.

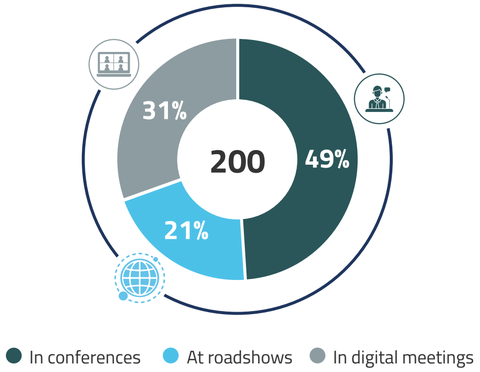
SCIENCE FESTIVAL

ERG participates in one of the main international science dissemination events, hosting students at its stand to promote its commitment to energy transition, repowering and sustainability. In 2024, ERG proposed a workshop based on the debate methodology, involving secondary schools in a discussion on strategies for implementing the energy transition.

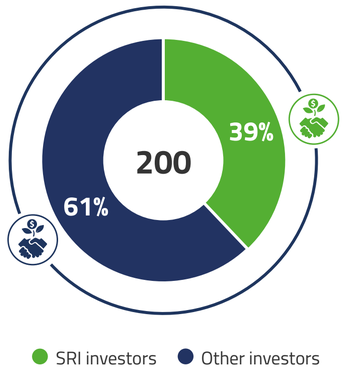


INVESTORS MET IN 2024

BY MEETING TYPE

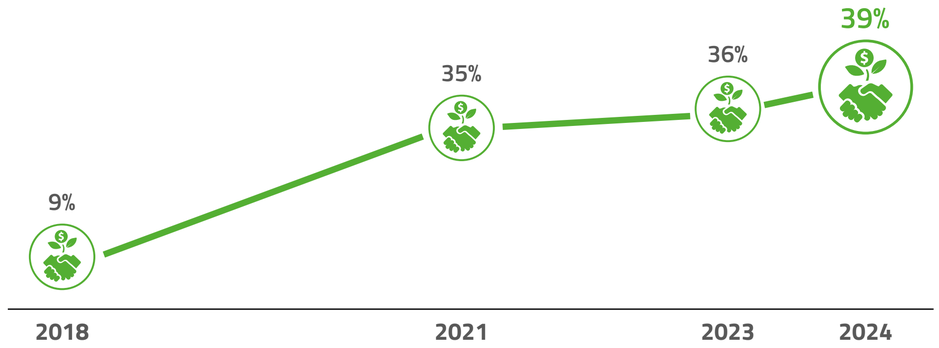


BY INVESTOR TYPE





GROWTH % SRI INVESTORS OUT OF THE TOTAL INVESTORS MET



MAIN TOPICS DISCUSSED WITH SRI INVESTORS

- Path to decarbonisation and Net Zero Strategy
- DE&I objectives with a focus on certifications
- Respect for human rights in the Supply Chain
- ERG's Alignment to the Green Taxonomy
- ESG targets in variable incentive systems
- Financial strategy and Green Funding

2024 A YEAR TO TELL: INTERVIEWS WITH TOP MANAGEMENT







Jan | Apr | May | Jun | Jul | Sept | Nov











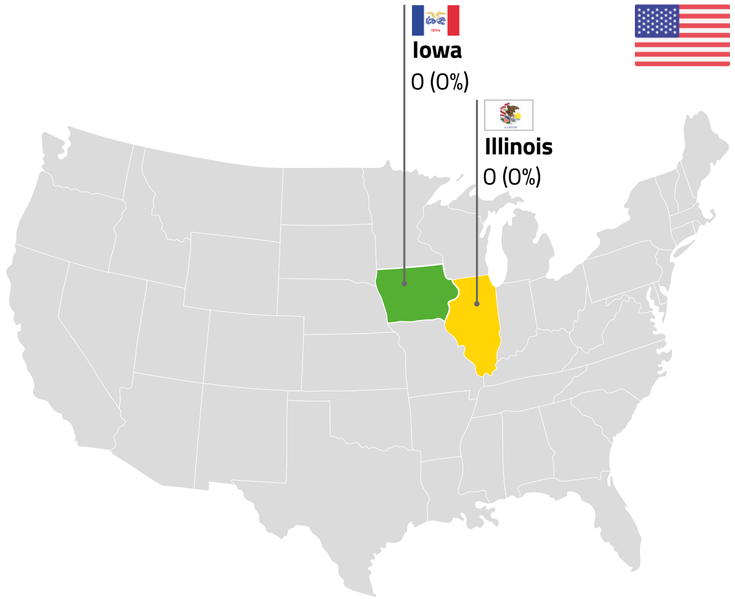

MISSIONE
AMBIENTE
Generazioni a scuola di sostenibilità

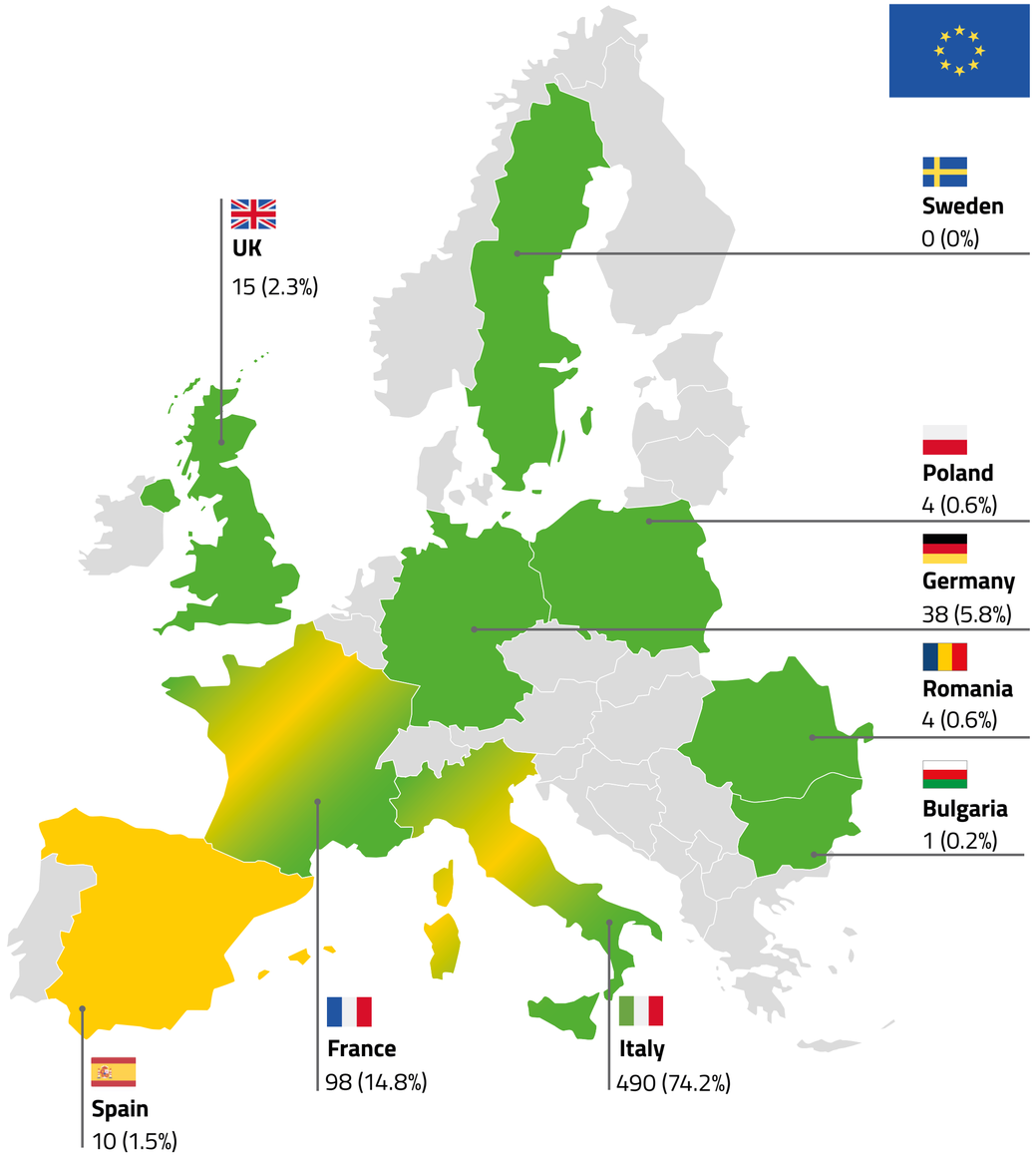
PEOPLE

TOTAL: 660

455 (68.9%)

205 (31.1%)

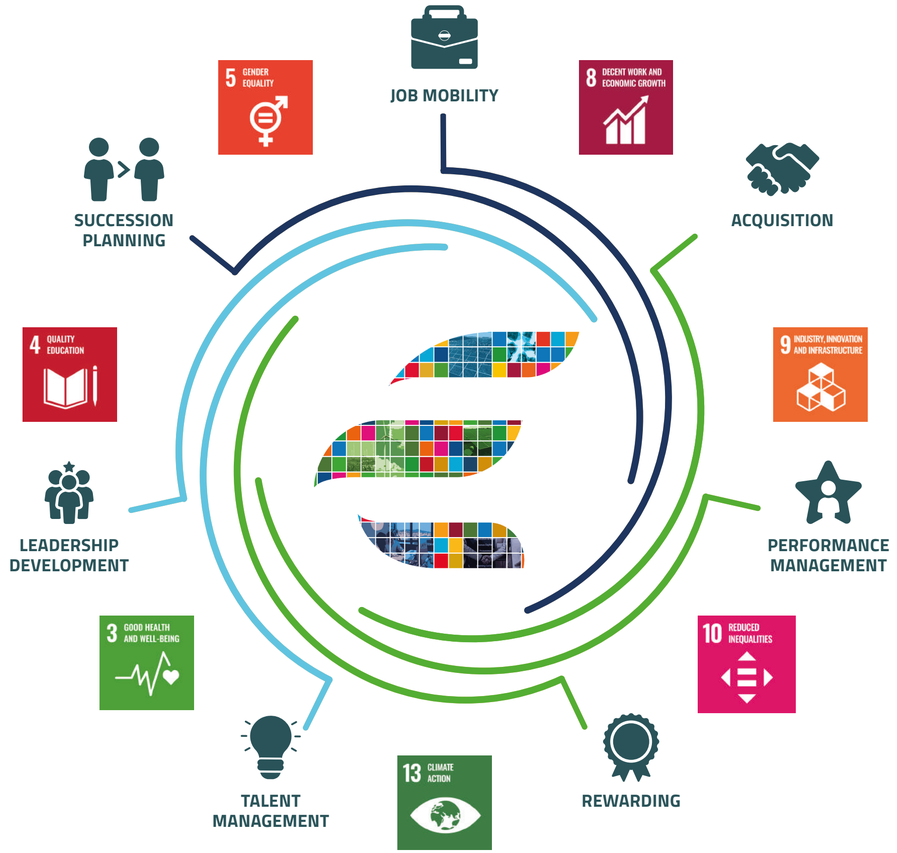




HUMAN CAPITAL MANAGEMENT AND DEVELOPMENT

The management and development of human capital are guided by two pillars that support the achievement of company results, both of which are indispensable for maintaining a high level of competitiveness and for sustaining a corporate culture geared towards transparently communicating values and strategy to the entire organisation, placing the person at the heart of the company:

- **Organisational Development**: organisational model, processes, roles and responsibilities aimed at the management and growth of the Group;
- **Talent Management**: hiring and selection, leadership development, performance, potential assessment, talent management, succession plans aimed at enhancing people's value.



SUSTAINABILITY OBJECTIVES IN INCENTIVES

Sustainability objectives in short-term incentives

Weight Objectives		Pillars		Objective	Target	Result	Indicators Floor 80%	Indicators Target 100%	Indicators Cap 120%	%	Final value
20% CEO 10% KMs	20%	Planet	10%	Circular Wind: repowering recovery of materials and/or energy	98%	100%				120%	24%
			10%	Circular Solar: Revamping recovery of materials and/or energy	90%	93%				120%	
	20%	Engagement	10%	Education for Next Generation: number of young people involved in training programmes on sustainability and RES (in at least four countries)	23,000 (4 Countries)	23,407				120%	24%
			10%	Social Purpose for Solar Revamping (number of projects carried out)	3 projects	4 projects				120%	
	50%	People	40%	Predictive safety: No fatalities and compliance with Frequency Indices [internal + contractors]: general [FI] and severity [FISev]	No fatalities FI < 4.60FIs <2.00	FI < 2.49 FIs <1.50				120%	60%
			10%	Incidence of women in workforce increase	30%	42%				120%	
	10%	Governance		1. Internal implementation of the CSRD Adjustment Plan 2. % Increase in volume of suppliers monitoring the Carbon Footprint (+2% vs 44% baseline 2023) 3. Sustainable Procurement: Average supplier scoring (≥ 64 points)	2 projects	3 projects				120%	12%
				OVERALL FINAL VALUE							120%

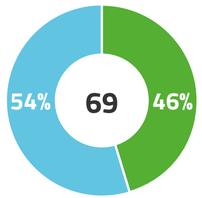
Sustainability objectives in long-term incentive 2024-2026

Weight of objective	Indicator weight	Pillars		Objective
20%	20%	Planet		Target Net Zero: % Green Energy on Total consumption (Scope 2)
	20%	Engagement		Improved S&P CSA index rating
	50%	People	40%	HSE Predictive safety: No fatalities and compliance with Frequency Indices [internal + contractors]: general [FI] and severity [FISev]
			10%	Diversity & Inclusion: no. female Key Leaders out of total Key Leaders
	10%	Governance		Sustainable Funding: maintenance of a % of sustainable loan sources out of total financial sources

NEW TALENTS RESEARCH

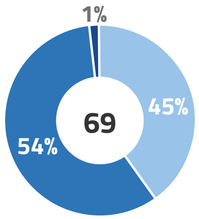
In 2024, 69 new people joined the Group. Women accounted for 36% of new hires and the incidence of women in the increase in the workforce was 42%. Moreover, 45% of the employees are under 30 years of age.

HIRES BY GEOGRAPHY



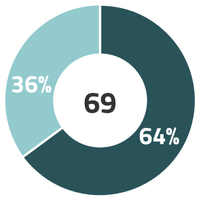
Italy Abroad

HIRES BY AGE BRACKET



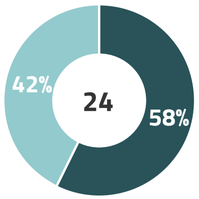
<30 years 30-50 >50 years

HIRES BY GENDER



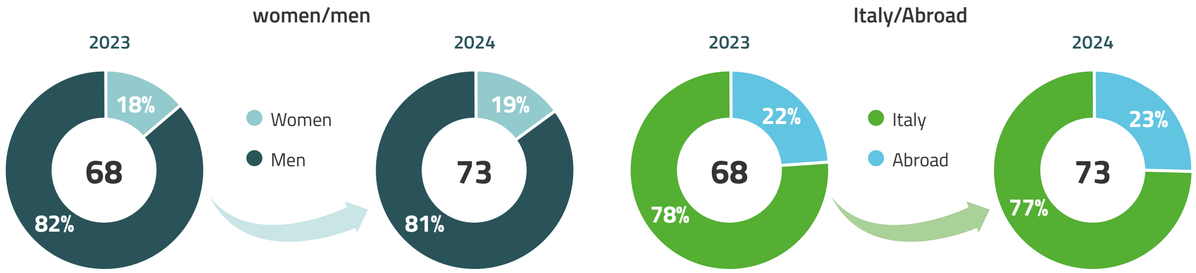
Women Men

NET WORKFORCE INCREASE



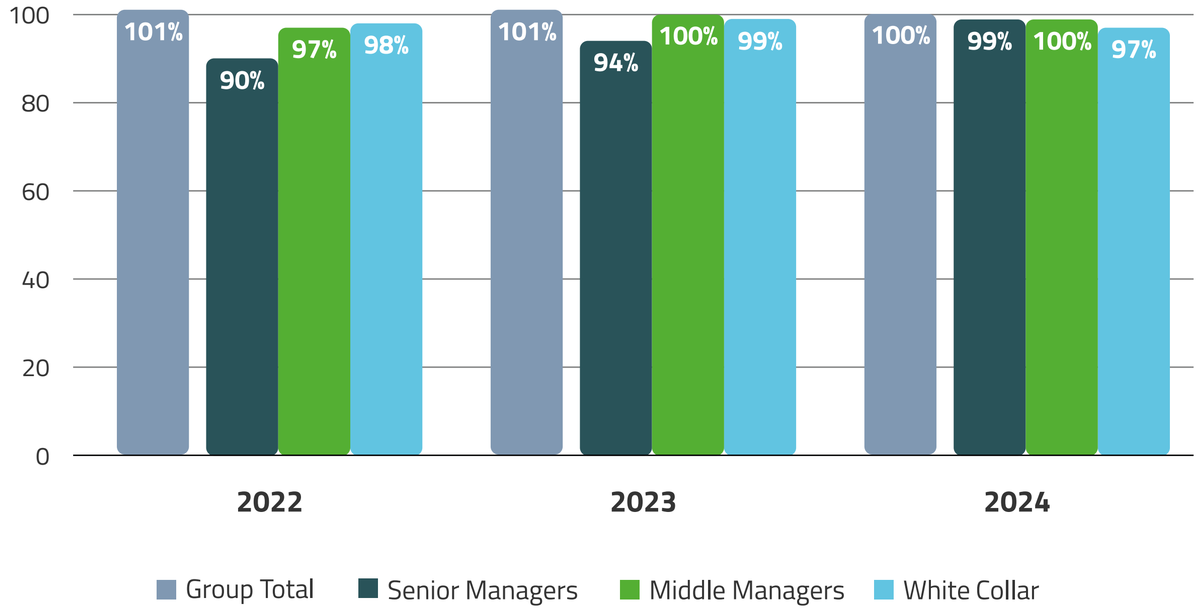
THE POWER OF DIVERSITY

KEY LEADERS – MANAGERS AND SENIOR MANAGERS



GENDER PAY GAP: GROUP

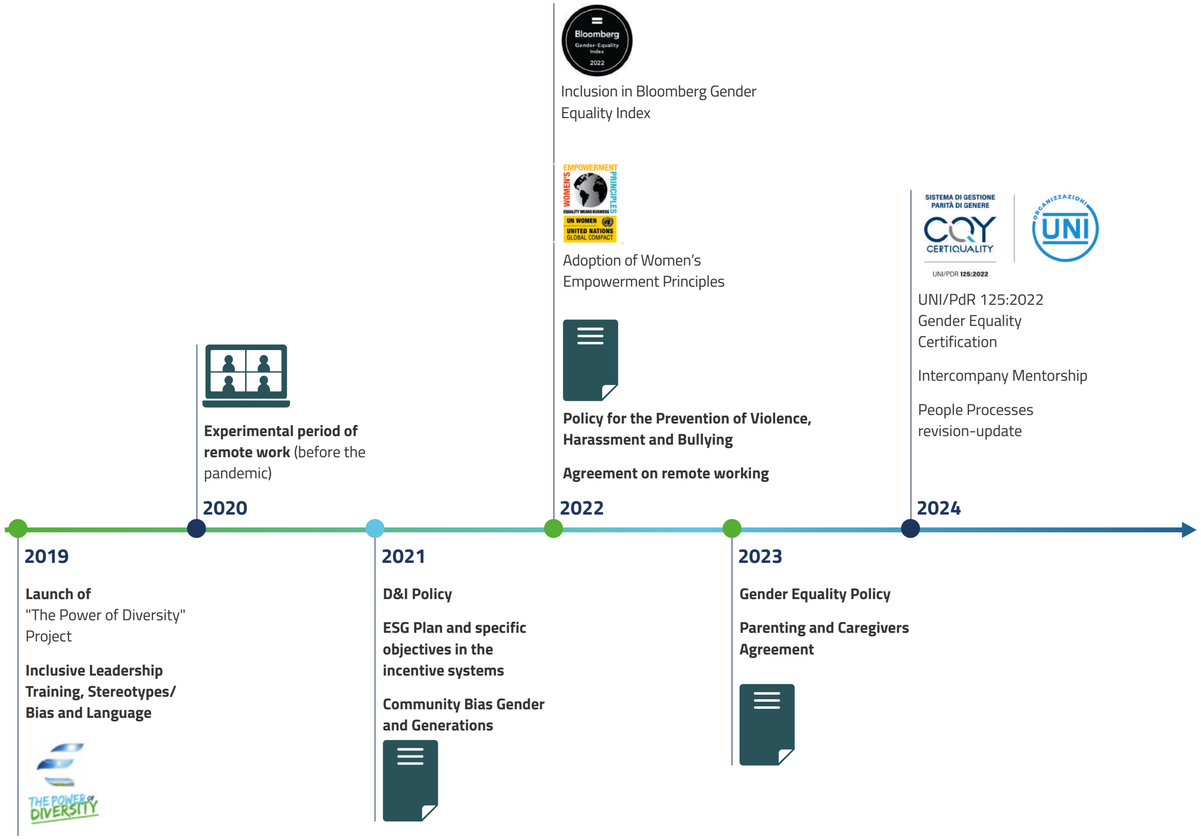
The analysis of the gender pay ratio shows a substantial alignment between the fixed salaries of women and men, consistent with our objectives.



Gender pay equity is calculated for homogeneous qualifications, as the ratio between the average fixed and total remuneration of the female gender compared to the average fixed and total remuneration of the male gender both at Group and Italian level (thus excluding key managers and blue-collar workers). The total pay ratio instead includes all Group employees.

THE STRATEGY AND ERG'S DIVERSITY & INCLUSION JOURNEY

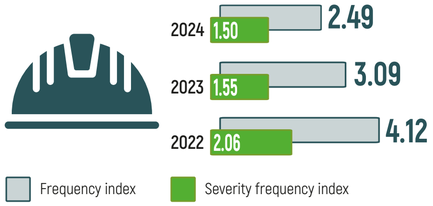
- **DATA DRIVEN APPROACH:** Data analysis and definition of objectives to support both the increase in company diversity and equal growth possibilities (inclusion)
- **INCLUSIVE PROCESSES**: Critical analysis of the processes that accompany the growth of people in the company
- **CONSTANT LISTENING**: Constantly listening to the perceptions of people in the company through surveys, Group and community meetings
- **CULTURAL EVOLUTION**: Training and involvement activities dedicated to all people and specifically for People Managers
- **WORKING WELL-BEING**: work-life integration and welfare



HEALTH & SAFETY, ALWAYS

For us, 'Health and Safety, always' means putting the health and safety of those who work for us and with us first by fostering a culture of health in the workplace and enabling accident prediction.

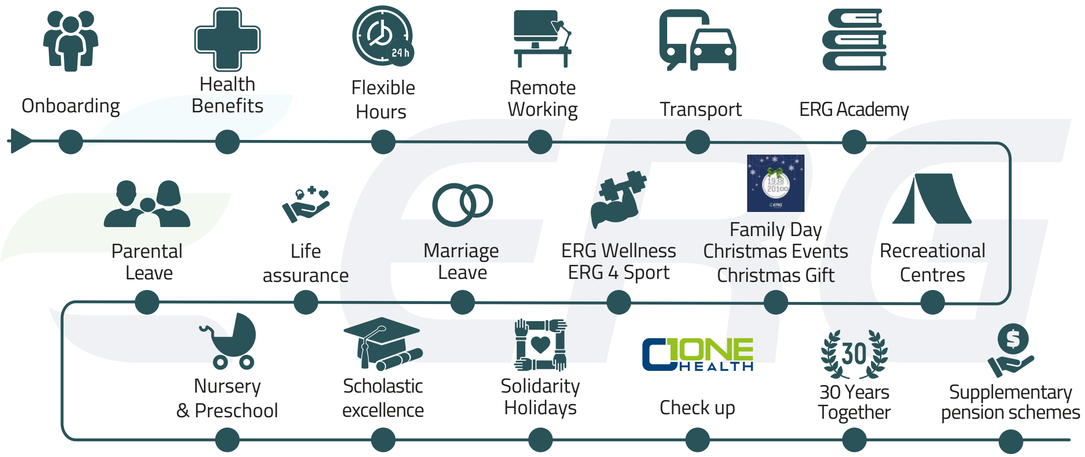
Accident indices (internal and external)



	2024
NEAR MISSES	43

EMPLOYEES' WELL-BEING

The integrated welfare model is built around people with the aim of supporting the needs of employees and their families, helping them to live well, so that within the work environment they can feel comfortable, satisfied and healthy and able to reach satisfactory performance levels.



THE TOOLS FOR STRATEGIC ALIGNMENT AND BELONGING INITIATIVES

TOOLS FOR STRATEGIC ALIGNMENT

INITIATIVES FOR BELONGING



ERGate intranet: gateway to information that regulates corporate life and news about the Group, with static or dynamic content

Weekly Smart News: Newsletter written by employees, with insights on business, ESG, HSE and D&I topics and on the energy scenario

Question Time: space for direct discussion between employees and Top Management on the energy scenario, the Just Transition and the Group's growth

Training courses for **focusing on one's own purpose**

Programmes for **enhancing** a sense of **personal efficacy**, and empowering **employees** as **disseminators of ERG's** Just Transition values

Mentorship, **testimonial and ambassadorship projects for the Next Generation** and some professional communities

Corporate events open to employees (some also to families) for the **development of teamwork**, the consolidation of a **sense of belonging** and the **dissemination of ERG's work culture**

ACTIVITIES CARRIED OUT DURING 2024

1 Group Meeting for Group Key Leaders (77 people) to comment on the strategic plan and discuss the new Group Leadership Model

2 Question Times:
- 5 June: 345 connections (people and meeting rooms)
- 18 November: 416 connections (people and meeting rooms)

1 Purpose Day, to discover or update each person's Purpose, open to all people, and align it with that of ERG

10 Mentors, 10 STEM Role Models, 15 Ambassadors in schools

All Group people involved in live events in the various local offices at the end of the year and a live stream

ERG4sport: Madrid Marathon, Charity Program Relay Marathon Milan, Sellaronda Bike Day

ERG ACADEMY FOR THE NETWORK COMPANY

LEARNING ECOSYSTEM

Physical spaces (learning centre, classrooms...)

Technology platforms (LMS, CRM, ...)

Processes, standard internal operating procedures

People (managers, colleagues, mentors, coaches, teachers, parents, journalists...)

ERG ACADEMY

Formal learning contents (micro-learning videos, webinars and workshops...)

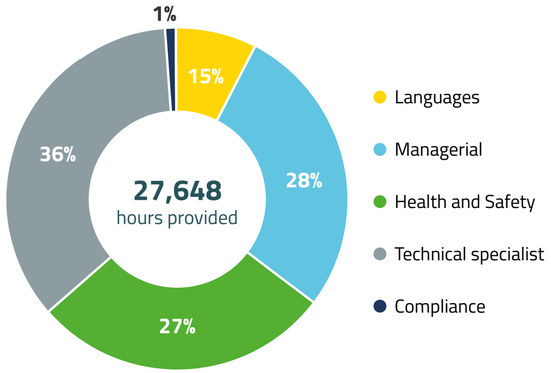
Tools to increase effectiveness (checklists and quick reference guides)

Collaboration spaces

On the job learning initiatives (coaching, internships)

Spaces for feedback and discussion

TRAINING IN 2024



The following took part in training activities:
99.7% of the workforce
100% of people with disabilities
100% of part-time people


ERG

GOVERNANCE

ICT CERTIFICATION (EU PERIMETER)

Information security is a fundamental component of modern business management, not only for ICT aspects, but comprehensively with respect to the organisational context, with impacts on Operations, Legal, HR, Procurement, etc. In line with our commitment to operational excellence and information protection, we are implementing the Information Security Management System (ISMS) according to the ISO 27001 and ISO 27019 certification standards.

ISMS CERTIFICATION @ 2024









ISMS CERTIFICATION @ 2028



Boundary of certification:
Management of the technological infrastructure and application architectures supporting the operating processes of wind and solar power assets for all ERG Group companies (EU PERIMETER at the end of 2027)

CLIMATE CHANGE RISK MANAGEMENT

We have integrated the assessment of the impacts of physical climate risks on our Wind & Solar assets (below). In summary, our strategies (geographical and technological diversification and asset modernisation) make it possible to limit any impacts and confirm the resilience of the ERG Group to climate change thanks also to the "Pure Renewable Player" model.

Event	Rain/snow	Wind	Solar radiation	Sea level	Air temperature
	●●	—	●●●	—	●
	—	●●●	—	—	—

Event	River/sea temperature	Heat waves	Flooding/heavy precipitation	Heavy snow/icing
	—	●●●	●●	●●●
	—	●	●	●●●

Event	Hail	Windstorm	Wildfire	Lightning
	●●●	●●	●	●
	●	●●●	●	●

IMPACT

- High ●●●
- Medium ●●
- Low ●
- Not relevant —

ALIGNMENT OF THE SUPPLY CHAIN WITH OUR ESG OBJECTIVES

In line with the objectives of the ESG Plan, we monitor the carbon footprint and D&I in the supply chain assessment. The 2023 results are shown below:

SUSTAINABLE SUPPLY CHAIN

	2024	2025	2026	2027	2028	2029
Average score	64.4%	≥64% average score				
Suppliers with a carbon footprint	46%	48%	50%	52%	54%	≥55%
Suppliers with D&I strategy/plan	64%	65%	67%	69%	≥70%	≥70%
Supplier Audits	4 remotely 1 in the field	At least 5 per year (of which 1 in the field) that also cover human rights				