

# CORRELATION BETWEEN ERG MATERIAL ASPECTS AND GRI STANDARDS

| ERG Group material aspects                             | Correlation with GRI Standards                  | Scope of material aspects | Type of impact      |
|--|---|---------------------------|---------------------|
| Ethics and integrity                                   | GRI 205: Anti-corruption (2016)                 | Group                     | Direct              |
|  | GRI 405: Diversity and equal opportunity (2016) | Group                     | Direct              |
|  | GRI 419: Socioeconomic compliance (2016)        | Group                     | Direct and Indirect |
| Relations with stakeholders                            | N/A   | Group                     | Direct              |
| Risk management  | N/A   | Group                     | Direct              |
| Environmental management systems                       | GRI 302: Energy (2016)                          | Group                     | Direct              |
|  | GRI 303: Water (2016)                           | Group                     | Direct              |
|  | GRI 307: Environmental Compliance (2016)        | Group                     | Direct              |
| Climate change approach                                | GRI 305: Emissions (2016)                       | Group                     | Direct and Indirect |
| Safeguarding the environment and biodiversity          | GRI 304: Biodiversity (2016)                    | Group                     | Direct              |
|  | GRI 306: Effluents and waste (2016)             | Group                     | Direct              |
| Safety management systems                              | GRI 403: Occupational Health and safety (2016)  | Group                     | Direct              |
| Safety of infrastructure, plants and local communities | GRI 413: Local communities (2016)               | Group                     | Direct and Indirect |
| Training and development of employees                  | GRI 401: Employment (2016)                      | Group                     | Direct              |
|  | GRI 404: Training and education (2016)          | Group                     | Direct              |
| Development of the local community                     | GRI 203: Indirect economic impact (2016)        | Group                     | Direct and Indirect |

## TABLE OF CONCORDANCE WITH ITALIAN LEG. DECREE 254/2016

| Areas of Leg. Decree 254/2016           | Requirements of Leg. Decree 254/2016  | Reference documents 2018   |
|---|---|--|
| Company management model                | Art. 3.1, paragraph a)<br>Description of the company model for the management and organisation of its business activities, including any models adopted pursuant to Leg. Decree 251/2001  | DNF pag. 10-15   |
|   | <b>Policies</b> Art. 3.1, paragraph b)<br>Description of company policies, including due diligence policies   | DNF pag. 107-109<br>Sustainability Policy  |
| Environment                             | <b>Risk management model</b> Art. 3.1, paragraph c)<br>Description of the main risks, including the ways of managing these risks, generated or suffered, and which derive from the company's activities   | DNF pag. 58-64, 65, 109-113  |
|   | Art. 3.2, paragraph a, b, c)<br>Use of energy resources, distinguishing between those produced by renewable and non-renewable sources, the use of water resources; greenhouse gas emissions and emissions of pollutants in the atmosphere; environmental impact   | DNF pag. 114-131   |
| People                                  | <b>Policies</b> Art. 3.1, paragraph b)<br>Description of company policies, including due diligence policies   | DNF pag. 148-151, Human Resources section<br>DNF pag 134-136, Health and Safety section<br>Sustainability Policy |
|   | <b>Risk management model</b> Art. 3.1, paragraph c)<br>Description of the main risks, including the ways of managing these risks, generated or suffered, and which derive from the company's activities   | DNF pag 65, 136-138, Health and Safety section<br>DNF pag 65, 151, Human Resources section                       |
|   | Art. 3.2, paragraph c)<br>Information on the impact on health and safety  | DNF pag 139-144  |
|   | Art. 3.2, paragraph d)<br>Information on HR management, including gender equality, the implementation of international conventions and dialogue with social stakeholders  | DNF pag 152-167  |
| Social                                  | <b>Policies</b> Art. 3.1, paragraph b)<br>Description of company policies, including due diligence policies   | DNF pag. 148-151, Human Resources section<br>Sustainability Policy   |
|   | <b>Risk management model</b> Art. 3.1, paragraph c)<br>Description of the main risks, including the ways of managing these risks, generated or suffered, and which derive from the company's activities   | DNF pag 65, 151, Human Resources section   |
|   | Art. 3.2, paragraph d)<br>Information on social aspects   | DNF pag. 168-182   |
| Human rights                            | <b>Policies</b> Art. 3.1, paragraph b)<br>Description of company policies, including due diligence policies   | DNF pag. 148-151, Human Resources section<br>Human Rights Policy   |
|   | <b>Risk management model</b> Art. 3.1, paragraph c)<br>Description of the main risks, including the ways of managing these risks, generated or suffered, and which derive from the company's activities   | DNF pag 65, 151, Human Resources section   |
|   | Art. 3.2, paragraph e)<br>Respect for human rights, measures adopted to prevent violations, as well as actions taken to prevent discriminatory behaviour and actions  | DNF pag 101, 148-151, Human Resources section  |
| Combating active and passive corruption | <b>Policies</b> Art. 3.1, paragraph b)<br>Description of company policies, including due diligence policies   | DNF pag. 67-68<br>Anticorruption Policy  |
|   | <b>Risk management model</b> Art. 3.1, paragraph c)<br>Description of the main risks, including the ways of managing these risks, generated or suffered, and which derive from the company's activities   | DNF pag. 53-55, 65   |
|   | Art. 3.2, paragraph f)<br>Information on combating active and passive corruption  | DNF pag. 69-73   |
| Diversity of governance bodies          | <b>Policies</b> Art. 10.1 paragraph a)<br>Description of diversity policies applied in relation to the composition of administrative, management and control bodies with regard to aspects such as age, gender composition, training and professional background, as well as a description of the goals, implementation methods and results of these policies | DNF pag. 38-40   |

# GRI CONTENT INDEX

| GRI Standard                               | Disclosure  | Page/Link                           | Notes/Information/Omissions  |
|--|---|-------------------------------------|--|
| <b>GRI 102: GENERAL DISCLOSURES (2016)</b> |   |                                     |  |
| <b>ORGANIZATIONAL PROFILE</b>              |   |                                     |  |
| 102-1                                      | Name of the organization  | 31                                  |  |
| 102-2                                      | Activities, brands, products, and services                                | 10-12                               |  |
| 102-3                                      | Location of headquarters  | 6-9                                 |  |
| 102-4                                      | Location of operations  | 13                                  |  |
| 102-5                                      | Ownership and legal form  | 42-43                               | For further details relating to the ownership structures and the legal form, see the matters indicated in the Report on Corporate Governance and Ownership Structure   |
| 102-6                                      | Markets served  | 13                                  |  |
| 102-7                                      | Scale of the organization   | 13, 184-185                         |  |
| 102-8                                      | Information on employees and other workers                                | 166-167, 185, 187                   |  |
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| 102-11                                     | Precautionary Principle or approach                                       | 53-64                               |  |
| 102-12                                     | External initiatives  | 25-26                               |  |
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| G4 - EU2                                   | Net energy produced   | 79, 193-196                         |  |
| G4 - EU3                                   | Number of residential, industrial, institutional and commercial customers | 184                                 |  |
| G4 - EU5                                   | Allocation regime for CO <sub>2</sub> emission quotas                     | 79                                  |  |
| <b>STRATEGY</b>                            |   |                                     |  |
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| 102-16                                     | Values, principles, standards, and norms of behavior                      | 38-40, 67-73, 107, 134-135, 148-149 |  |
| <b>GOVERNANCE</b>                          |   |                                     |  |
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| GRI Standard | Disclosure   | Page/Link    | Notes/Information/Omissions  |
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| 102-32       | Highest governance body's role in sustainability reporting | 18           |  |
| 102-35       | Remuneration policies                                      | 161-163      | For further details relating to the remuneration policies, see the matters indicated in the Report on Corporate Governance and Ownership Structures. |

**STAKEHOLDER ENGAGEMENT**

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| 102-41 | Collective bargaining agreements       | 185, 187 |  |
| 102-42 | Identifying and selecting stakeholders | 19-30    |  |
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**REPORTING PRACTICES**

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| 102-48 | Restatements of information                                | 31-33      |   |
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| 102-50 | Reporting period   | 31-33      |   |
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| 102-52 | Reporting cycle  | 31-33      | Non-financial disclosure published on 30 April 2020.  |
| 102-53 | Contact point for questions regarding the report           | 33         | For any information relating to this document, see the "Contacts" section of the corporate website <a href="http://www.erg.eu">www.erg.eu</a> . |
| 102-54 | Claims of reporting in accordance with the GRI Standards   | 31-33      |   |
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**TOPIC-SPECIFIC STANDARDS****GRI 200: ECONOMIC SERIES (2016)****GRI-201: ECONOMIC PERFORMANCE (2016)**

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|-------|---|----|--|
| 201-1 | Direct economic value generated and distributed | 76 |  |
|-------|---|----|--|

**GRI-202: MARKET PRESENCE (2016)**

|       |  |         |  |
|-------|--|---------|--|
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | 161-162 |  |
|-------|--|---------|--|

| GRI Standard  | Disclosure  | Page/Link               | Notes/Information/Omissions                  |
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| <b>GRI-203: INDIRECT ECONOMIC IMPACT (2016)</b>   |   |                         |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                 |  |
| 103-2   | The management approach and its components          | 30-31, 123-126, 130-131 |  |
| 103-3   | Evaluation of the management approach               | 30-31, 123-126, 130-131 |  |
| 203-1   | Infrastructure investments and services supported   | 30-31, 123-126, 130-131 |  |
| <b>GRI-204: PROCUREMENT PRACTICES (2016)</b>  |   |                         |  |
| 204-1   | Proportion of spending on local suppliers           | 192                     |  |
| <b>GRI-205: ANTICORRUPTION (2016)</b>   |   |                         |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                 |  |
| 103-2   | The management approach and its components          | 69-73                   |  |
| 103-3   | Evaluation of the management approach               | 69-73                   |  |
| 205-1   | Operations assessed for risks related to corruption | 69-73                   |  |
| 205-3   | Confirmed incidents of corruption and actions taken |                         | No cases of corruption were recorded in 2019 |
| <b>GRI-G4 SECTOR DISCLOSURES - ELECTRIC UTILITIES EU (2013): AVAILABILITY AND RELIABILITY</b> |   |                         |  |
| G4 - EU10   | Planned capacity                                    | 79                      |  |
| <b>GRI-G4 SECTOR DISCLOSURES - ELECTRIC UTILITIES EU (2013): SYSTEM EFFICIENCY</b>            |   |                         |  |
| G4 - EU11   | Average generation efficiency of thermal plants     | 196                     |  |
| <b>GRI 300: ENVIRONMENTAL SERIES (2016)</b>   |   |                         |  |
| <b>GRI-302: ENERGY (2016)</b>   |   |                         |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                 |  |
| 103-2   | The management approach and its components          | 109                     |  |
| 103-3   | Evaluation of the management approach               | 109                     |  |
| 302-1   | Energy consumption within the organization          | 193-197                 |  |
| 302-4   | Reduction of energy consumption                     | 95-97, 119, 197         |  |
| <b>GRI-303: WATER (2016)</b>  |   |                         |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                 |  |
| 103-2   | The management approach and its components          | 110                     |  |
| 103-3   | Evaluation of the management approach               | 110                     |  |
| 303-1   | Water withdrawal by source                          | 196                     |  |
| <b>GRI-304: BIODIVERSITY (2016)</b>   |   |                         |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                 |  |

| GRI Standard   | Disclosure  | Page/Link             | Notes/Information/Omissions  |
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| 103-2  | The management approach and its components                                      | 112-113, 130-131      |  |
| 103-3  | Evaluation of the management approach   | 112-113, 130-131      |  |
| 304-2  | Significant impacts of activities, products, and services on biodiversity       | 112-113, 130-131      |  |
| <b>GRI-305: EMISSIONS (2016)</b>                         |   |                       |  |
| 103-1  | Explanation of the material topic and its Boundary                              | 203-204               |  |
| 103-2  | The management approach and its components                                      | 109-110, 117-121      |  |
| 103-3  | Evaluation of the management approach   | 109-110, 117-121      |  |
| 305-1  | Direct (Scope 1) GHG emissions  | 117-118, 197          |  |
| 305-2  | Energy indirect (Scope 2) GHG emissions   | 119, 194, 197         |  |
| 305-4  | GHG emissions intensity   | 114, 196              |  |
| 305-5  | Reduction of GHG emissions  | 114, 117-121, 193-197 |  |
| 305-7  | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | 196                   |  |
| <b>GRI-306: EFFLUENTS AND WASTE (2016)</b>               |   |                       |  |
| 103-1  | Explanation of the material topic and its Boundary                              | 203-204               |  |
| 103-2  | The management approach and its components                                      | 113                   |  |
| 103-3  | Evaluation of the management approach   | 113                   |  |
| 306-1  | Water discharge by quality and destination                                      | 196                   | Water quality data are not available: ERG Power waste water is sent to the purification plant "purifier" of the Priolo site that is responsible for its purification before discharging into surface waters. |
| 306-2  | Waste by type and disposal method   | 193, 197              |  |
| <b>GRI-307: ENVIRONMENTAL COMPLIANCE (2016)</b>          |   |                       |  |
| 103-1  | Explanation of the material topic and its Boundary                              | 203-204               |  |
| 103-2  | The management approach and its components                                      | 108                   |  |
| 103-3  | Evaluation of the management approach   | 108                   |  |
| 307-1  | Non-compliance with environmental laws and regulations                          |                       | No significant monetary sanctions or non monetary sanctions due to failure to observe environmental laws and regulations were recorded in 2019.  |
| <b>GRI-308: SUPPLIER ENVIRONMENTAL ASSESSMENT (2016)</b> |   |                       |  |
| 308-1  | New suppliers that were screened using environmental criteria                   | 192                   |  |
| <b>GRI 400: SOCIAL SERIES (2016)</b>                     |   |                       |  |
| <b>GRI-401: EMPLOYMENT (2016)</b>                        |   |                       |  |
| 103-1  | Explanation of the material topic and its Boundary                              | 203-204               |  |
| 103-2  | The management approach and its components                                      | 150-165               |  |

| GRI Standard  | Disclosure  | Page/Link                | Notes/Information/Omissions  |
|---|---|--------------------------|--|
| 103-3   | Evaluation of the management approach   | 150-165                  |  |
| 401-1   | New employee hires and employee turnover  | 188-189                  |  |
| 401-2   | Benefits provided to full-time employees that are not provided to temporary or part-time employees                            | 161-165                  |  |
| <b>GRI-402: Labor/Management Relations (2016)</b>                       |   |                          |  |
| 402-1   | Minimum notice periods regarding operational changes  |                          | The minimum notice period for the operational changes adopted by ERG is compliant with the legislative provisions envisaged by national labour agreement for workers in Italy. |
| <b>GRI-403: OCCUPATIONAL HEALTH AND SAFETY (2016)</b>                   |   |                          |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                  |  |
| 103-2   | The management approach and its components  | 135-138                  |  |
| 103-3   | Evaluation of the management approach   | 135-138                  |  |
| 403-2   | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 191-192                  |  |
| 403-4   | Health and safety topics covered in formal agreements with trade unions   | 139-142                  |  |
| <b>GRI-404: TRAINING AND EDUCATION (2016)</b>                           |   |                          |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                  |  |
| 103-2   | The management approach and its components  | 152-155                  |  |
| 103-3   | Evaluation of the management approach   | 152-155                  |  |
| 404-1   | Average hours of training per year per employee   | 186                      |  |
| 404-3   | Percentage of employees receiving regular performance and career development reviews  | 153-154, 159-160         |  |
| <b>GRI-405: DIVERSITY AND EQUAL OPPORTUNITY (2016)</b>                  |   |                          |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                  |  |
| 103-2   | The management approach and its components  | 148-150                  |  |
| 103-3   | Evaluation of the management approach   | 148-151                  |  |
| 405-1   | Diversity of governance bodies and employees  | 42-43, 166-167, 187, 190 | For further details relating to the composition of the governance bodies, see the matters indicated in the Report on Corporate Governance and Ownership Structures.            |
| <b>GRI-406: NON DISCRIMINATION (2016)</b>                               |   |                          |  |
| 406-1   | Incidents of discrimination and corrective actions taken  |                          | No incidents of discrimination were recorded in 2019.  |
| <b>GRI-407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (2016)</b> |   |                          |  |
| 407-1   | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk                | 98-101, 151              |  |
| <b>GRI-413: LOCAL COMMUNITIES (2016)</b>                                |   |                          |  |
| 103-1   | Explanation of the material topic and its Boundary  | 203-204                  |  |
| 103-2   | The management approach and its components  | 176-182                  |  |

| GRI Standard                                    | Disclosure   | Page/Link        | Notes/Information/Omissions   |
|---|--|------------------|---|
| 103-3   | Evaluation of the management approach  | 176-182          |   |
| 413-2   | Operations with significant actual and potential negative impacts on local communities | 122-124, 176-182 |   |
| <b>GRI-419: SOCIOECONOMIC COMPLIANCE (2016)</b> |  |                  |   |
| 103-1   | Explanation of the material topic and its Boundary                                     | 203-204          |   |
| 103-2   | The management approach and its components   | 47-49            |   |
| 103-3   | Evaluation of the management approach  | 47-49            |   |
| 419-1   | Non-compliance with laws and regulations in the social and economic area               |                  | No significant monetary sanctions or non-monetary sanctions due to failure to observe laws and regulations were recorded in 2019. |

### Material topic not related to a GRI Standard topic specific

#### MATERIAL TOPIC: RISK MANAGEMENT

|       |  |         |  |
|-------|--|---------|--|
| 103-1 | Explanation of the material topic and its Boundary | 203-204 |  |
| 103-2 | The management approach and its components         | 53-65   |  |
| 103-3 | Evaluation of the management approach              | 53-65   |  |

#### MATERIAL TOPIC: STAKEHOLDER RELATIONS

|       |  |         |  |
|-------|--|---------|--|
| 103-1 | Explanation of the material topic and its Boundary | 203-204 |  |
| 103-2 | The management approach and its components         | 19-30   |  |
| 103-3 | Evaluation of the management approach              | 19-30   |  |