



2024 Consolidated Sustainability Report

1 General disclosures

[ESRS_2, BP-1, DP 5a, 5b, 5c, 5d, 5e]

[ESRS_2, BP-2, DP 9a, 9b, 10a, 10b, 10c, 10d, 11, 13, 14, 15, 16, 17]

1.1. Basis of preparation of the Report

The AGSM AIM Group's 2024 Consolidated Sustainability Report marks the beginning of a new journey to present sustainability data and information in a way that is coordinated and integrated with traditional financial reporting. The Consolidated Sustainability Report has been prepared in accordance with Legislative Decree No. 125 of 6 September 2024, which transposes into Italian law EU Directive 2464/2022, known as the Corporate Sustainability Reporting Directive (CSRD) (hereinafter also referred to as the "CSRD" or "Directive"), as well as the new European Sustainability Reporting Standards (ESRS) adopted by the European Commission on 31 July 2023 and developed by EFRAG (European Financial Reporting Advisory Group), and the requirements of Article 8 of EU Regulation 2020/852 of the European Parliament and Council, together with the related delegated regulations. In compliance with the ESRS, this Sustainability Report aims to present and explain all information deemed relevant and necessary to enable AGSM AIM Group's stakeholders to gain a clear and comprehensive understanding of the impact our organisation has on sustainability issues, as well as how these sustainability issues may affect the performance, results, and financial position of the AGSM AIM Group.

In preparing the Consolidated Sustainability Report, the sustainability reporting principles outlined in ESRS 1 were taken into account: relevance, faithful representation, comparability, verifiability, and understandability. Furthermore, this Consolidated Sustainability Report is structured with reference to the provisions of ESRS 1 (paragraph 115), which calls for the inclusion of the following four sections: general, environmental (including disclosures required under Article 8 of EU Regulation 2020/852), social, and governance information. Also included in the Consolidated Sustainability Report are dedicated appendices containing the taxonomy-required tables, AGSM AIM Group's performance indicators, the disclosure requirements index, the list of information elements related to the cross-cutting and thematic principles derived from other EU legislative acts, and the concordance table between material topics and the SDGs.

During the 2024 fiscal year, the AGSM AIM Group conducted a Double Materiality Assessment (DMA) to identify and understand the main impacts, risks, and opportunities (IROs) related both to its own operations and activities across its value chain (upstream and downstream of the organisation). Where specific IROs related to its value chain have been identified, AGSM AIM discloses the available quantitative and qualitative information regarding its sustainability performance. The list of reported indicators, along with any detailed notes, is provided in the Concordance table included at the end of this sustainability section within the Report on Operations of the Group's Annual Financial Report.

The time horizons considered by AGSM AIM for the Consolidated Sustainability Reporting are those defined in ESRS 1, specifically:

- the short-term time horizon corresponds to the financial reporting period (i.e., within a calendar year);
- the medium-term horizon extends from the end of the short-term reference period up to five years; while
- the long-term horizon refers to impacts, objectives, or actions expected over a period exceeding five years.

The reporting period covers 1 January to 31 December 2024, with data from the two preceding years provided, where available, solely for comparative purposes to facilitate understanding of the Group's sustainability performance trends.

For the purposes of correctly representing the performance and guaranteeing the reliability of the data, the use of estimates has been limited as much as possible, which, if present, are based on the best available methodologies and are appropriately reported. In addition, any restatements of previously published comparative data are clearly indicated in the text. In particular, during the preparation of the report, the Group was required to estimate data and information related to the value chain for the calculation of Scope 3 emissions (further detailed in the section "The Group's Greenhouse Gas Emissions"). It should be noted that the estimates made for the purposes of this Report are not generally characterised by a high level of uncertainty, with the exception of Scope 3 emissions, which show a low level of uncertainty for most categories and a medium level of uncertainty for category no. 1 "Purchased Goods and Services" and category no. 7 "Employee Commuting".

It should be noted that the AGSM AIM Group did not exercise the option to omit information relating to intellectual property, know-how, or innovation results, nor has it applied the exemption for disclosing information concerning imminent developments or matters under negotiation.

This document was approved by the Company's Board of Directors on 5 May 2025, together with the draft Annual Financial Statements and the Consolidated Financial Statements, in accordance with the responsibilities assigned to the Shareholders' Meeting, the Company's Articles of Association, and applicable laws.

The Consolidated Sustainability Report is subject to assurance by an independent audit firm, BDO Italia S.p.A., which is tasked with verifying its compliance with Legislative Decree 125/2024 and its consistency with the adopted reporting Standards.

The structure of the document aims to present the activities carried on by the Group in as clear and organised a manner as possible, first providing a broader and more strategic view and gradually concentrating and analysing in detail the relationships with stakeholders and the peculiarities of the activities carried out on the territory.

This Consolidated Sustainability Report includes, among its key drafting principles, the Double Materiality Assessment, which identifies the themes that are of particular importance to AGSM AIM, as outlined in the Group's key Business and Strategic Plan objectives and linked to the reported performance indicators.

The Consolidated Sustainability Report of AGSM AIM S.p.A. for the 2024 financial year includes within its scope the companies that are fully or proportionally consolidated in the Consolidated Financial Statements and are considered relevant and significant to the Group's business.

BU Networks	BU Market	BU Smart	BU Heat	BU Power	BU Environment	Other companies
o V-Reti S.p.A.	o AGSM Energia S.p.A. o CogasPiù Energie S.r.l.	o AGSM Smart Solutions S.p.A. o Agisco S.r.l.	o AGSM Calore S.r.l.	o AGSM Power S.r.l. o Bortoli Total Green S.r.l. o Consorzio Canale Industriale G. Camuzzoni di Verona S.c.a.r.l. o Green Hydrogen Venezia S.r.l. o JUWI Development 02 S.r.l. o JUWI Development 08 S.r.l. o Parco Eolico Carpinaccio S.r.l. o Parco Eolico Riparbella S.r.l.	o AGSM Ambiente S.r.l. o DRV S.r.l. o SER.I.T. S.r.l. o Società Igiene Territorio S.p.A. o TRANSECO S.r.l.	o AGSM Holding Albania Sh.a. (in liquidation) o EcoTirana Sh.a. o Società Intercomunale Ambiente S.r.l. o Valore Ambiente S.r.l.

Table 1 – Group Consolidated Entities

The scope of the 2024 Consolidated Sustainability Report of the AGSM AIM Group is broadly consistent with that of the 2023 Consolidated Non-Financial Statement prepared by the AGSM AIM Group pursuant to Legislative Decree 254/2016, except for changes that have occurred among the Group's subsidiaries. Specifically, all subsidiaries have been confirmed except for the addition of the following companies:

- Agisco S.r.l., 51% owned through the subsidiary AGSM AIM Smart Solutions s.r.l.;
- Bortoli Total Green S.r.l., wholly owned through the company AGSM AIM Power s.r.l.;
- Green Hydrogen Venezia S.r.l., 50% owned through the subsidiary AGSM AIM Power S.r.l., in partnership with the ENI Group, and proportionally consolidated.

Each of the companies within the reporting scope presents, in different ways, information relating to environmental, social, personnel, human rights and anti-corruption issues, which is useful to better understand business performance, its results and, above all, the Group's impact on these issues.

The companies listed below are excluded from the Consolidated Financial Statements' scope and, consequently, from the scope of the present Consolidated Sustainability Report, due to their minor shareholding and/or because the Parent Company does not exercise control or coordination over them:

- Agrilux S.r.l.
- Bovolone Attività S.r.l.
- Consorzio GPO
- Geothermal Triveneta S.r.l.
- Legnago Servizi S.p.A.
- Parco Eolico Monte Vitalba S.r.l.
- Soenergy S.r.l.
- Sive S.r.l.

This Consolidated Sustainability Report has been prepared under the coordination of the Company's Finance and Control Department: the information and data presented derive from documents officially adopted by the Company, its subsidiaries, and/or reports prepared by employees within the organisation. The reported data are shared, officially confirmed, tracked, and approved by the various competent Business Units and company Departments.

1.2. Business model and strategy

[ESRS_2, SBM-1, DP 40a, 40b, 40c, 40d, 40e, 40f, 40g, 42, 42a, 42b, 42c]

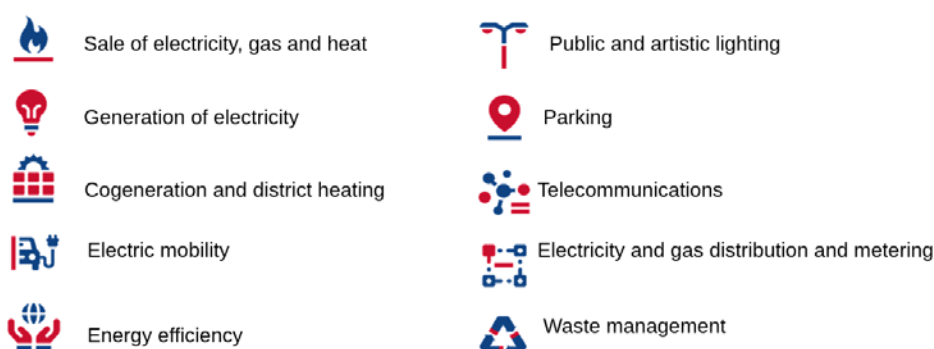
1.2.1 Our business model and value chain

With revenues of Euro 1.9 billion, an EBITDA of Euro 182 million, a workforce of 2,347 (including 1,447 in Italy and 900 at the subsidiary in Albania), and more than 893,000 customers supplied with electricity, natural gas, and heat, the AGSM AIM Group ranks among the principal multiutility companies in Italy.

AGSM AIM is a multiutility formed through the merger by incorporation on 1 January 2021 between AGSM Verona S.p.A. and AIM Vicenza S.p.A., resulting in the Parent Company AGSM AIM S.p.A. (hereinafter also referred to as the “Company”), a wholly publicly owned company. The company is 61.2% owned by the Municipality of Verona and 38.8% by the Municipality of Vicenza, territories in which the Group is historically and deeply rooted.

The AGSM AIM Group provides essential services and products with high added value for citizens and the development of companies, organisations and institutions in Italy. In addition, through its subsidiary EcoTirana, it offers waste collection and transport services in the capital of Albania.

The AGSM AIM Group is active in the following sectors:



Acting as a key aggregator, especially in the North-East of Italy, and thanks to the significant critical mass achieved post-merger, AGSM AIM aims to undertake investments that bring direct benefits to local communities, enhance the quality of services offered to citizens, and effectively address the challenges facing the public utilities sector.

AGSM AIM recognises the value of sustainable development and its role is characterised by both the multi-service nature and the regulatory and economic context of the sector, as well as the different demands that in each area of activity derive from the general objectives of customer satisfaction.

The integration process, started during the 2021 financial year and now completed has enabled the optimisation of the organisational structure of the AGSM AIM Group by creating six Business Units.

Extraordinary operations aimed at facilitating the simplification and rationalisation of companies operating in the waste collection, treatment and disposal sector continued during 2024. For further details regarding the aggregation process of the companies, please refer to section 1.10 “Significant events occurring after the end of the financial year” in the Report on Operations included in this Consolidated Financial Statements of the AGSM AIM Group for the 2024 financial year.

[ESRS_G1, DR GOV-1 DP 7, 9]

“We are close to customers and the territories served. We interpret their needs and support their growth by offering quality services through integrated management of energy resources. We are driven by innovation, reliability, respect and constant attention to people, the environment and society.”

The values on which the AGSM AIM Group bases its strategy are as follows: reliability, development, teamwork and innovation.

- **Reliability:** Be a tangible point of reference, build trust and care customers and people;
- **Development:** Be agile and flexible, for the continuous improvement of the company;
- **Teamwork:** Be a united and cohesive group, working together to achieve common objectives;
- **Innovation:** To be pursued with responsibility to build the future while respecting people, the environment and the society.

As part of its business activities, the AGSM AIM Group considers it essential to carry out actions in line with the declared intentions and corporate values and rules. Furthermore, it considers fulfilling commitments important, seeking solutions to solve problems, communicating and acting with transparency in order to foster the engagement of stakeholders and, as a consequence, nurture their confidence.

To develop its activities, the Company embraces every new opportunity with courage, with the aim of pursuing the result with perseverance, passion and attention to the quality of the services offered.

In pursuit of its Mission, the AGSM AIM Group has adopted its [Code of Ethics](#), which sets out the general principles and rules of conduct that the people operating in the name and on behalf of AGSM AIM are inspired by when carrying out their activities. The ethical principles adopted by the AGSM AIM Group are listed below:

- fairness, loyalty, integrity, honesty and transparency in managing relations with counterparties and with the Group's own employees;
- fighting corruption in order to avoid any illegal act or offence;
- respect for and optimisation of people as the vital factor for the company's growth and business continuity;
- the protection of the corporate image in order to safeguard the Company's good reputation and credibility;
- efficiency of each work activity in pursuit of the cost-effectiveness of using company resources;
- fair competition avoiding deceptive behaviour;
- a spirit of service for all corporate initiatives aiming to pursue a high social value useful for the community;
- confidentiality of information and protection of personal data in the instruments and methods;
- impartiality in relations with stakeholders, avoiding any form of discrimination or favouritism inside or outside of the Group;
- recognition of individual responsibility for performing the work activity;
- quality of the services provided in order to constantly meet customers' requirements.

The provisions of the Group's Code of Ethics are binding, with no exception, for the Directors, the employees and for all those who directly or indirectly establish relations with it, whether permanently or temporarily (collaborators, consultants, agents, attorneys or anyone else operating in the name, and on behalf, of the Company). The Code of Ethics is published on the website agsmait.it, distributed internally and promoted through specific company training.

Being a Group means respecting others, their ideas and their identities, and being able to enhance the diversity of everyone.

The Group aims at careful and responsible innovation as the foundation for looking at the future of the business, generating connections with the surrounding ecosystem and ensuring overall awareness for common benefit. The objective to be pursued by the Group has become *"to improve the quality of life of people and create value for the territories, build a better future by promoting innovation, development and sustainability."*

1.2.1.1 Electricity Generation

The AGSM AIM Group's electricity generation plants use both renewable sources (hydroelectric, wind, and photovoltaic) and traditional fossil fuels (thermoelectric and cogeneration through gas combustion). The Group's production sources of **renewable energy** comprise a total of 157.9 MW of installed power, unevenly distributed between:

- photovoltaic plants (32.1 MW);
- wind plants (58.4 MW);
- hydroelectric plants, further divided into reservoir-based (54.2 MW) and run-of-river (13.1 MW) facilities.

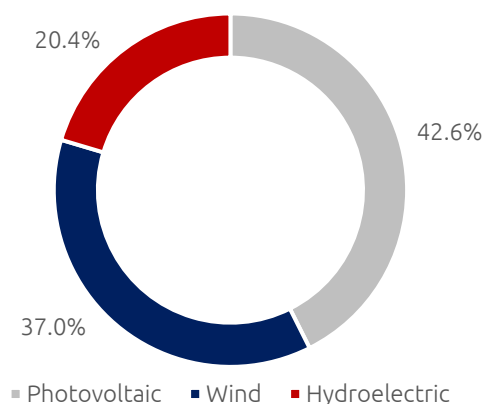


Figure 1 – Installed Renewable Energy Capacity Mix

The Group's production sources of **non-renewable energy** consist of 251.6 MW of installed power divided into:

- thermoelectric plants (190.0 MW)¹¹;
- cogeneration plants (61.6 MW).

The electricity generated from renewable energy plants amounts to **317,593 MWh** and represents **56.6%** of the total energy produced by the Group's power plants. The energy produced from non-renewable sources¹² amounts to 243,323 MWh.

¹¹ Portion owned by the AGSM AIM Group equal to 50% of the Ponti sul Mincio thermoelectric power plant.

¹² The non-renewable production value is achieved through the Group's share at the Mincio Thermoelectric Power Plant (65,008 MWh) and at various heat and electricity cogeneration plants (178,315 MWh).

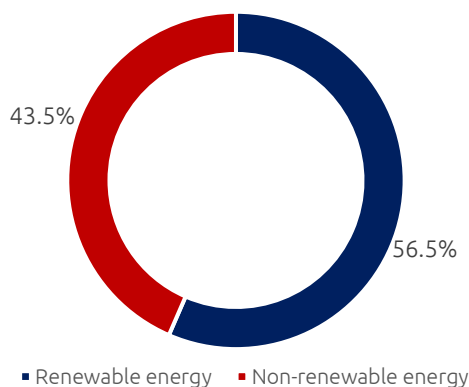


Figure 2 – Electricity production mix

In total, hydroelectric production increased by 72.3% compared to the previous reporting period. In particular, the two reservoir plants at Maso Corona and San Colombano benefited from the frequent rainfall that characterised the entire first half of the 2024 fiscal year as well as the months of September and October.

During the reporting period, wind power production was affected by faults in the wind turbines at the Carpinaccio and Riparbella plants, resulting in a total downtime of 23 months across three turbines, as well as a fault in November at the Monterenzio plant following severe weather.

On the other hand, electricity production from photovoltaic plants saw a modest increase of 2.1% compared to the previous year, hindered by the low sunlight levels this year, which affected all plants located in northern Italy. During the 2024 financial year, the restoration activities continued in the plants located in Abruzzo and Marche, with the trackers being removed and fixed to the ground.

Additionally, in December, the Borgonovo and Calendasco plants were connected, adding a total of 9.5 MW of additional installed capacity.

Finally, the electrical sector of the cogeneration plants, as well as the thermoelectric plant at Ponti sul Mincio, was particularly affected by the unfavourable energy market conditions. This, combined with an increasing supply of electricity from renewable sources (especially in the hydroelectric sector), prevented the engines from being started during the less favourable periods, resulting in reduced electricity production.

1.2.1.2 Cogeneration Production for District Heating

The Group, through its subsidiary AGSM AIM Calore, produces and distributes heat to customers connected to the district heating network in the municipalities of Verona and Vicenza. In particular, the company operates eight cogeneration plants with natural gas energy input, a geothermal well, and an extensive district heating network of about 200 km that distributes heat to more than 140 inhabitants for a total of 225,838,402 Mcal.

District heating is provided to users connected by the six networks, almost all of which are operated by natural gas cogeneration plants with a total installed electricity input of 61,597 kWe and an installed thermal input of 348,300 kWt. The amount of thermal energy delivered to the network over the course of 2024 reached 309,327,675 kWht.

In general, managing district heating plants has the primary objective of maximising the energy transformation yields of heat and electricity generation equipment, in order to ensure compliance with mandatory regulations and minimise the impact of emissions, thus improving environmental performance.

Cogeneration plants associated with district heating networks owned by the AGSM AIM Group are subject to the "Emission trading" Directive – EU 2003/87/EC and subsequent amendments updated by Directive (EU) 2018/410, establishing the greenhouse gas "emissions market".

For two of the eight cogeneration plants (Golosine and Forte Procolo Power Plants), in relation to the characteristics of their production capacity, AGSM AIM opted out of the emission trading regulation. For these plants, there is no allocation of quotas or obligation for restitution, but there are emission limits and annual compensation requirements. For the 2024 financial year, no compensation obligations are expected.

The solar thermal plant, with an approximate thermal capacity of 1.2 MW located at the Borgo Trento cogeneration plant, produced 796.71 MWh of thermal energy supplied to the Borgo Trento and Forte Procolo networks during the financial year. The plant enabled a natural gas saving of 91,433 standard cubic metres, equivalent to 185 tons of CO₂ avoided.

In the coming years, AGSM AIM Calore plans to invest more than Euro 50 million with the aim of further extending the district heating network in the cities of Verona and Vicenza, thereby increasing the thermal energy sold. With a view to energy transition, the geothermal source available in the city of Vicenza will be exploited. All this will enable the Group to achieve a leadership role in the energy management of buildings in the reference territories by proposing an integrated offer.

Revamping of the cogeneration plant in Borgo Trento

In order to make a tangible contribution to achieving the United Nations Global Development Goal on "Climate action" (SDG 13), the AGSM AIM Group has launched the revamping project of the Borgo Trento cogeneration plant in Verona, which envisages the replacement of the combined cycle, with a new plant set-up that is the result of a careful technical-economic analysis carried out during the project feasibility planning.

Under the project, the architecture of the existing system will be substantially maintained, with the replacement of the combined cycle and a new plant set-up featuring:

- two cogenerators with an electrical input of between 11 and 13 MW and a thermal input of between 10 and 13 MW;
- four storage tanks capable of storing up to 800 m3 of water at 105°C;
- a boiler with an emergency function for cogenerators fired by natural gas, with a rated thermal input (pursuant to Article 268 of Legislative Decree 152/2006) of between 13 and <15 MW.

The cogeneration engines will be equipped with a computerised automatic system to control combustion efficiency and support the prevention and/or reduction of emissions. The two engines will also adopt the "lean burn" technique, whereby the peak temperature in the flame is controlled by lean burn conditions, which is the main combustion mode to limit the formation of nitrogen oxides (NOX) in gas engines.

In order to assess the improvement brought about by revamping the power plant in terms of emissions into the atmosphere, a comparison was made between the pre-intervention situation and the post-intervention forecast simulation. When fully operational, the revamping project will reduce CO₂ production by at least 8% compared to the pre-Covid average figure recorded during 2019, which was 56,750 tonnes of CO₂ (an average figure considered representative of the normal operation of the cogeneration plant). According to the project simulation developed, the target emissions for 2025 will therefore be 52,210 tonnes of CO₂ or less.

During the 2024 financial year, the Borgo Trento cogeneration plant emitted 55,254 tonnes of CO₂ into the atmosphere, marking a 3% reduction compared to the previous year.

Revamping works will continue throughout the 2025 financial year, enabling the new plant configuration to become fully operational and achieve the expected CO₂ emissions reduction of up to 8.0% compared to the original setup.

1.2.1.3 Electricity and Natural Gas Distribution

In the AGSM AIM Group, the distribution and metering service for electricity and natural gas is carried out by the distribution company V-Reti S.p.A. in compliance with the rules of functional unbundling for vertically integrated companies in the sector, in compliance with the principles of cost-effectiveness, profitability and confidentiality of company data.

The consolidated experience in distribution makes V-Reti a reliable company with strong technical skills. The company looks to the future by committing to significantly increasing investments with the goal of generating direct benefits for the territories served, improving the quality of service offered to citizens and effectively responding to the challenges faced by the public utility service sector.

V-Reti among the most virtuous distribution companies in Italy

The average annual duration of interruptions was below 13 and a half minutes for residents of Verona and Grezzana, and 14.35 minutes for those in Vicenza, compared to the regulatory target of 28 minutes. The average number of annual interruptions per customer was 1.19 in Verona and Grezzana and 1.3 in Vicenza, against a target of 1.2 interruptions per year.

These are the two main indicators recorded by V-Reti in 2023, confirming the distribution company as one of the most outstanding in Italy in terms of service standards and quality.

Results exceeded the targets set by ARERA – Italian Regulatory Authority for Electricity, Gas and Water – achieved also thanks to ongoing and increasing investments in the electricity networks, which totalled 41.9 million Euro in 2023.

Exceeding the expected targets allowed V-Reti to receive a Euro 117 reward from ARERA for the duration indicator and Euro 107 for the number indicator.

With constant commitment and presence, the AGSM AIM Group continuously guarantees the supervision of electricity and gas distribution networks and works to maintain the highest levels of safety standards and continuity of the service.

Electricity distribution service

The entire supply chain of the electricity market is composed of the following five phases:



Figure 3 - Electricity supply chain phases

V-RETI mainly carries out the transformation, distribution and measurement of electricity throughout the Municipalities of Verona, Vicenza and Grezzana with an extension of about **4,622 km** between Low Voltage (LV), Medium Voltage (MV) and High Voltage (HV).

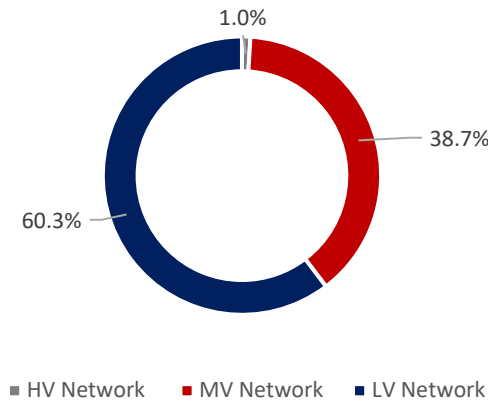


Figure 4- Electricity network extension (Km)

The **electricity fed into the grid** during 2024 totalled **2,766,852 MWh**, distributed across low, medium, and high voltage levels.

In 2024, the number of PODs (Points of Delivery) managed by V-Reti for the distribution of electricity to the end user is equal to 316,687, of which 81% corresponds to PODs carried with active supply.

The number of meters connected to the distribution network reached **280,541** in 2024, of which 90.2% were active. During the reporting period, the AGSM AIM Group continued to replace and modernise its electricity meters.

2G meters play an essential role in achieving the objectives of decarbonisation and efficient energy use and meet the constantly changing needs of the electricity industry. The V-Reti meter replacement project will ensure prompt and reliable metering of consumption, facilitate its control by end customers, allow the reduction of adjustments and an improvement in the service quality.

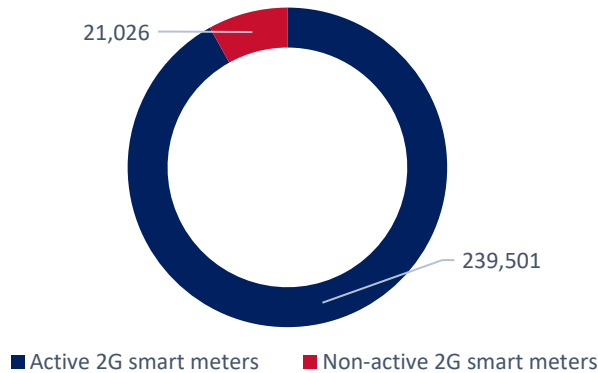


Figure 5 – 2G smart meters

The Commissioning Plan of the 2G smart metering system (PMS2) planned by V-Reti complies with the functional specifications defined by ARERA with resolution 87/2016/R/eel, adopted in implementation of the provisions of Italian Legislative Decree no. 102 of 4 July 2014, which transposes European Directive 2012/27/EU on energy efficiency and improvement for the entire national electricity system.

In order to inform the public and local stakeholders about the plan to replace electricity meters in the municipalities served by V-Reti, the **"Contatore 2G, Uno di Famiglia" (2G Meter, One of the Family)** communication campaign was created.

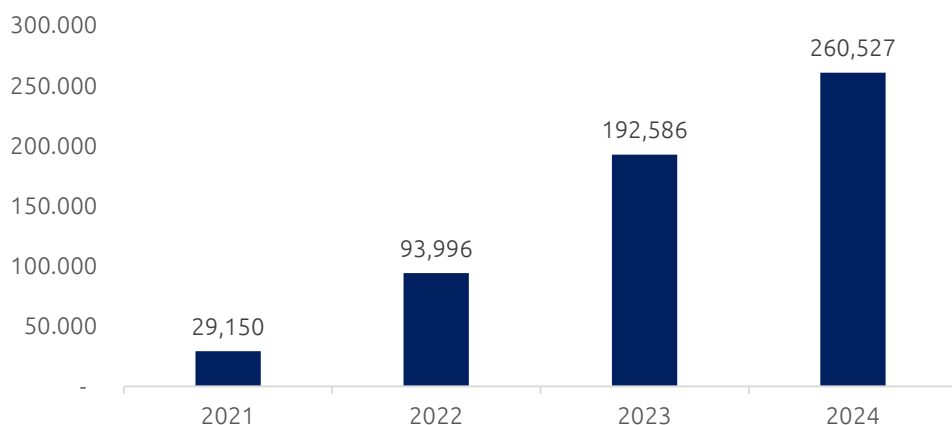


Figure 6 - 2G smart meter replacement progress

During the 2024 financial year, the distribution company of the AGSM AIM Group received a prestigious award from ARERA, which granted a prize of 260,000 Euro for implementing resilience measures that improved the quality of the electricity service in the municipality of Vicenza.

Specifically, V-Reti's activities focused on a number of electrical substations located in the San Pio X district, the Stadio and Piarda areas, the Stanga neighbourhood, and the industrial zone of Vicenza, which had previously been prone to water infiltration during bad weather, often causing outages and service disruptions for residents and local businesses. These conditions not only jeopardised the electricity supply but also required significant extraordinary maintenance work, increasing the burden of managing the electrical infrastructure.

Through advanced engineering solutions and a safety plan, V-Reti has carried out structural interventions that now protect the substations from flooding, thereby enhancing the network's resilience and service stability even during extreme weather events.

During the reporting period, V-Reti also implemented the ADMS (Advanced Distribution Management System), a new operational system designed to optimise the management of electricity distribution networks. This platform represents a significant innovation in the automation and remote monitoring of network infrastructure, enhancing both service continuity and safety. The ADMS system will enable more efficient control of the electrical distribution networks, reducing response times in the event of faults, particularly on medium and low voltage lines.

Quality of the electricity distribution service

The quality of electricity distribution and metering services is defined by the Italian Regulatory Authority for Electricity, Gas and Water (ARERA) in the "Integrated Output-Based Regulation of Electric Power Distribution and Metering Services (TIQE)" (Res. 566/2019/R/eel) for the period 2020-2023 and regulates the continuity of the service, the specific and general levels of commercial quality and the selective promotion of investments in distribution networks.

Compliance with commercial quality standards is constantly monitored through the use of dedicated software that can transmit alerts at the same time as every anomaly that is recorded and may generate an order for automatic compensation to be paid.

In 2024, V-Reti was **99.5%** compliant with the specific commercial quality standards for electricity.

Natural gas management and distribution service

The distribution service carried out by V-Reti guarantees the withdrawal of methane gas from Snam Rete Gas pipelines and transport, through local networks, for delivery to end users.

V-Reti carries out the natural gas distribution service in the following municipalities:

- Verona and in the province in Badia Calavena, Illasi, Selva di Progno and Tregnago and, for a small number of users, in Bussolengo, Buttapietra and S. Giovanni Lupatoto;
- Vicenza and in the province in Altavilla Vicentina, Altissimo, Arcugnano, Arzignano, Bolzano Vicentino, Bressanvido, Chiampo, Creazzo, Crespadoro, Grumolo delle Abbadesse, Longare, Montegalda, Monticello Conte Otto, Nogarole Vicentino, Pozzoleone, Quinto Vicentino, S.P. Mussolino, Torri di Quartesolo, Villaverla and Nanto;
- municipality of Goito in the province of Mantua;
- municipalities of Gazzo and Grantorto in the province of Padua;
- Treviso on behalf of the Parent Company, holder of the service concession.

Using its own infrastructure, V-Reti also supplies other municipalities (Costabissara, Caldogno, Carmignano del Brenta, Dueville, Thiene) where it manages the so-called “overruns”, i.e. those residual groups of users who connect to the network because of their proximity.

The gas network managed by the AGSM AIM Group extends for **3,244 km**. The infrastructure for the distribution of gas resources is made of different materials, the choice of which comes from technological and performance requirements.

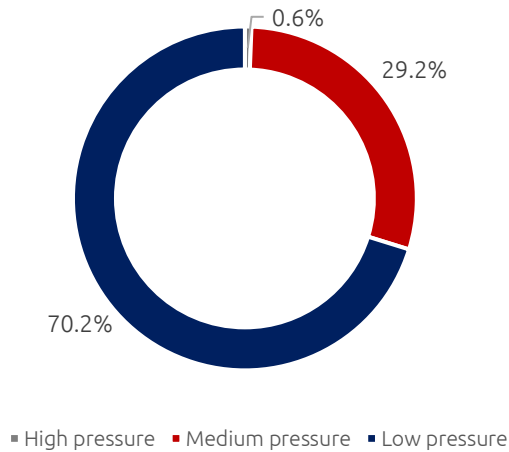


Figure 7 - Gas network extension (Km)

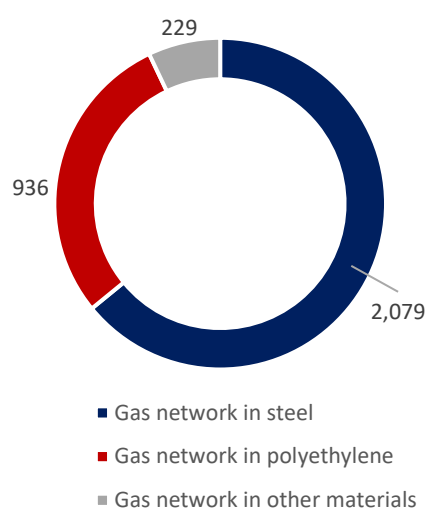


Figure 8 - Gas network pipelines (Km)

The AGSM AIM Group is committed to reducing leaks by gradually renewing the network. The correct management of gas distribution systems and networks, the usage of competent resources and the use of suitable instrumentation, together with continuous monitoring, are the main elements to guarantee the safety of citizens, preventing potential impacts and accidents. During 2024, the AGSM AIM Group distribution company managed **354,867 Redelivery Points**. The volume of gas fed into the distribution network during 2024 is **503.3 million Scm**. During 2024, investments in modernising the network’s infrastructure led to an important campaign to replace traditional meters (active and non-active) with the so-called “smart meters”, latest generation electronic meters with remote control features, as well as a digitisation campaign to increase resilience and achieve energy savings. Smart meters managed by V-Reti amount to 297,050 and represent over 92% of the meters managed by the AGSM AIM Group.

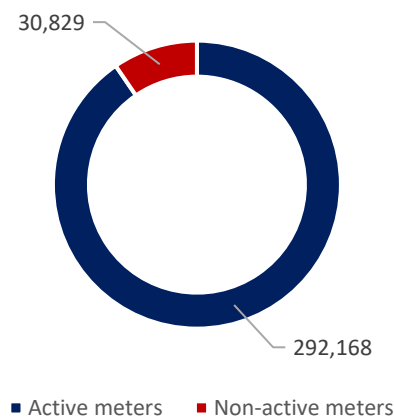


Figure 9 – Smart meters

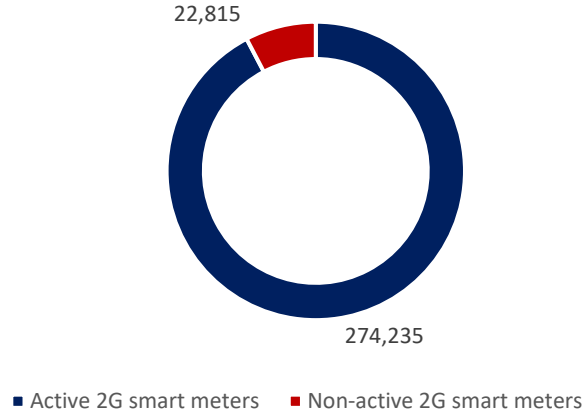


Figure 10 – Meters managed

The dispersion of methane gas in the atmosphere is one of the elements that has the greatest impact on the environment and on safety during normal operation of the gas distribution service. Methane gas, which is naturally odourless and colourless, is constantly odourised in the collection and metering plants, through a controlled and tested procedure, so that humans can smell it in the event of a leak or of accidental use and thus limit the risk of harmful or dangerous phenomena. It represents both a dangerous element because of its flammability, and a polluting element because of the high capacity to retain terrestrial infra-red radiation, which classifies it as a greenhouse gas. For these reasons, the containment and resolution of gas dispersion represent the main aim on which the safety, quality and continuity of the service are based. In order to monitor these risks, the principal monitoring systems distributed are remote control systems that monitor the

distribution system's key parameters, and the alarm systems that discourage or give warning of intentional acts. Moreover, planned checks are constantly made for any gas leaks from piping, together with the routine and extraordinary maintenance of the networks.

It should also be noted that from the 2024 financial year, V-Reti has adopted and implemented the Picarro Advanced Leak Detection system for gas monitoring: this technology is capable of identifying any gas leaks along the distribution network, with a detection sensitivity reaching one part of gas per billion. Picarro allows for more precise detection and resolution of gas leaks, thereby enhancing the quality of service and the distribution network. The system includes a device to be installed on a vehicle, called the Surveyor, along with three portable devices (known as Picarro Energy Backpacks) entrusted to distribution service operators. The Surveyor instrument uses cavity ring-down spectroscopy to measure the composition of atmospheric gases and pinpoint areas where potential gas leaks may occur. The Picarro Energy Backpacks provide even more precise measurements of methane and ethane levels in the environment: using the same technology as the Surveyor device but in a miniaturised form, these "backpacks" are employed by operators during on-foot inspections.

White Certificates (Energy Efficiency Certificates)

The White Certificates or **Energy Efficiency Certificates (EEC)** are tradable securities that certify the energy savings achieved in end uses of energy, implementing measures to increase energy efficiency. The promotion of **energy savings** through the system of the **White Certificates** is provided for by the Ministerial Decrees of 20 July 2004 (Ministerial Decree 20/7/04 on electricity, Ministerial Decree 20/7/04 on gas, as amended).

"Obligated" distributors of electricity and natural gas are expected to meet certain targets each year in terms of energy savings, measurable in Tonnes of Oil Equivalent (TOE) saved; each **White Certificate is equivalent to savings of one Tonne of Oil Equivalent**.

In 2024, ARERA awarded the Group 7,016 white certificates for electricity distribution and 24,217 for natural gas distribution.

In addition to energy distributors, other **voluntary parties**, typically energy service companies (ESCOs) or companies that have appointed a certified energy management expert (EGE) may also participate in the mechanism.

The voluntary parties are all the operators that freely **choose to carry out consumption reduction measures in end uses of energy**, and to whom the right to receive the corresponding quantity of white certificates is assigned.

Quality in natural gas distribution service

To distribute natural gas, V-Reti manages the transport of gas through local pipeline networks, for delivery to end users through two phases:

- I. the pick-up of gas from Snam Rete Gas' pipelines through first-stage pick-up points;
- II. transport and distribution to end users.

Gas distribution activities are carried out by the AGSM AIM Group according to the rules of functional unbundling envisaged for vertically integrated companies in the sector, in compliance with the principles of economy and profitability and the confidentiality of company data for the purpose of promoting continuity, efficiency and adequate quality levels in the service provided.

The natural gas distribution service makes reference to the commercial quality parameters set by ARERA. In 2024, the minimum times and levels required by the Gas Distribution Service Quality Regulation (RQDG) were widely complied with. With reference to the AGSM AIM Group's distribution companies, commercial quality standards were 98.8% complied with in 2024. The average time for activating the supply corresponds to 3.21 days while the average time for reactivating the supply following suspension due to lack of payment is 1.13 working days.

1.2.1.4 Smart services

AGSM AIM Smart Solutions is the Group company pursuing the mission of facilitating the transition towards electrification of the territories served through innovative and smart solutions. Its areas of expertise include electric mobility, public lighting, telecommunications, management of car parks and energy efficiency solutions for buildings.

Innovation and sustainability drive AGSM AIM Smart Solutions' choices, activities and projects. On the public lighting front, the Company manages around 82 lighting points, 90% of which are LED, thus ensuring efficiency, energy savings and compliance with light pollution directives. Furthermore, to enhance the smart approach of Verona and Vicenza, it is committed to expanding its electric mobility offer by increasing the number of charging stations in the area.

AGSM AIM Smart Solutions is a partner of local communities to support them in their energy transition through five business lines:

1. connectivity and telecommunications
2. public lighting
3. energy efficiency and redevelopment of public buildings
4. electric mobility and pay parking area management
5. smart city services for the territories and communities

The company focuses on innovation and the green economy by providing robust development models for all the services offered with the aim of accompanying the public administration in the energy and digital transition and by supporting

local communities with its effectiveness in managing energy efficiency projects and its expertise in managing complex projects such as the redevelopment in public buildings.

Electric mobility

Sustainable mobility plays an important role not only in terms of the smart growth of the city but more generally for implementing a truly sustainable approach for the community and the territory.

In this regard, AGSM AIM Smart Solutions proposes the creation of charging systems for electric vehicles and parking spaces dedicated to their parking and hardware and software system management for remote control and the use of charging stations by customers.

The Group actively contributes by proactively participating in the transformation of city mobility through the AGSM AIM E-MOBLITY project, a new service that uses modern charging infrastructures and a new digital platform to promote public electric mobility.

During 2024, AGSM AIM Smart Solutions' 227 public charging sockets delivered a total of 733 MWh.

The charging service can be activated by the end customer through the "AGSM AIM E-mobility" application and manages the entire car charging process, from the identification of the stations to the start of the service and its completion.

On the AGSM AIM stations, the charging session is available for a maximum of 300 minutes, with the obligation to move the car within one hour of the end of the service. On the other hand, at night, the car can be parked with the cable connected from 11.00 pm to 7.00 am.

In the event of a request for technical assistance or to report anomalies, customers can contact the Call Centre, available 24 hours a day, at the toll-free number 800 133 966. The call centre service is carried out by technical staff who can speak four languages: English, German, Spanish and French.

AGSM AIM has extended its commercial offer by introducing a subscription formula for the electric vehicle charging service. The solution, which can be activated directly from the dedicated APP, is added to the already existing pay per use rate, which saves money and charging time.

Purchasing the subscription allows users to top up their electronic wallet with the amount of energy, expressed in KWh, depending on the type of subscription chosen, available and valid for 30 calendar days from subscription. The subscriptions can currently be used at AGSM AIM Smart Solutions charging stations enabled for the public charging service.

The formula offered by the AGSM AIM Group includes three subscription sizes available to meet the various needs of customers who use public charging stations.

- **Small:** valid for 30 kWh
- **Medium:** valid for 75 kWh
- **Large:** valid for 150 kWh

The AGSM AIM Group also expanded the interoperability with other electric mobility operators, guaranteeing the possibility for customers of other national and European operators to recharge their electric vehicles on the AGSM AIM Smart Solutions infrastructure, provided that they have joined the European Hubject circuit and have signed the service acceptance. This service allows occasional users such as tourists or visitors to recharge their cars in the AGSM AIM Smart Solutions stations directly with their provider's app. Occasional users or customers of other operators can find the AGSM AIM Smart Solutions infrastructure through the "AGSM AIM E-mobility" app.

Public Lighting

The AGSM AIM Group, through AGSM AIM Smart Solutions, manages the operation and standard maintenance of the public lighting service in a number of municipalities in the provinces of Verona, Padua, Rovigo, Belluno and Vicenza.

VERONA	PADUA	ROVIGO	VICENZA	BELLUNO
Affi	Battaglia Terme	Costa di Rovigo	Posina	Alleghe
Angiari	Castelbaldo			Arsiè
Arcole	Cervarese Santa Croce			Chies D'Alpago
Bonavigo	Massanzago			San Gregorio nelle Alpi
Casaleone	Merlara			Alpago
Castagnaro	Mestrino			
Castel D'Azzano	Piombino Dese			
Cerro Veronese	Rovolon			
Isola Rizza	Torreglia			
Legnago	Urbana			
S. Mauro di Saline	Veggiano			
Verona	Villa Estense			
Villa Bartolomea	Pontelongo			
Valeggio sul Mincio				

Table 2 – Municipalities where the public lighting service is managed

In 2024, AGSM AIM Smart Solutions continued the management service for the public lighting network (1,052 km) in the Municipality of Verona, where the asset is owned by the AGSM AIM Group.

The Smart Solutions Business Unit has also signed several concessions with other municipalities to upgrade the public lighting system to LED, as well as for operation and maintenance for medium-long periods, with the task of designing and replacing the gas-discharge lamps with LED lamps. In addition, there are plans for the next phase of the public lighting service and for the operation and maintenance/remote control with troubleshooting and service restoration activities.

AGSM AIM Smart Solutions directly deals with the construction, design and maintenance of local public lighting systems by using the latest generation technologies, ensuring the reduction of energy consumption, the containment of light pollution and respect for the environment.

All the new systems are provided with lighting equipment able to offer performance that complies with the regulations prohibiting the emission of upwards light to eliminate the effects of light pollution.

There are 81,764 Group lighting points managed throughout the service, of which 73,503 are energy-saving LED lights. 90% of the lighting points operated by AGSM AIM Smart Solutions were upgraded to LED.

The sustainable nature of the service is highlighted by the huge saving in terms of not only light pollution, but also greenhouse gas emissions saved.

The main values that characterise the public lighting service include:

- the strong emphasis on innovation, thanks to using increasingly efficient technologies that ensure low consumption and high quality;
- reliability for quick actions to solve faults;
- sustainability in reducing environmental pollution;
- the timely management of current plants with the prospect of expanding into new territories.

Telecommunications

The AGSM AIM Group operates in the provinces of Verona and Vicenza through a complex fibre optic telecommunications infrastructure. The optic infrastructure stretches throughout the city areas and also reaches the main population centres in the Provinces of Verona and Vicenza for a total length of approximately 684 kilometres.

The telecommunications network of the AGSM AIM Group is designed to collect data traffic in urban and non-urban areas, providing the public administration, TLC operators and businesses with a portfolio of services featuring high levels of reliability and performance.

In the Vicenza area, the optical fibre network is sold in the "dark fibre" mode by national telecommunications operators, which in turn use it to provide private e-business customers with broadband telephone and telematic connectivity services in the FTTC (Fibre To The Cabinet) and FTTH (Fibre To The House) modes.

The main connections to the network include: AGSM AIM offices in the Vicenza area, SVT offices, Viacqua offices, Municipal Administration, Provincial Administration, Car parks, Electricity Substations, US Military Bases, Vicenza Trade Fair, Court, Hospital, University, Vodafone Cabinets and 5G network.

From an infrastructural point of view, the telecommunications network employed is generally of the ring variety, thus reducing to a minimum any inefficiencies due to faults.

AGSM AIM Smart Solutions also manages optical fibre connections among various company offices of the Group and the computer systems adopted to safeguard the technological network used to monitor and control operations. The response service is available for 24 hours a day, 365 days a year.

The telecommunications network of the Group has a special feature that distinguishes it from other similar networks. It is in fact a fully private network that connects the various users in point-to-point mode, employing one optical fibre for each user point. This allows completely isolated data transmission within the network in order to guarantee a very high level of security and confidentiality of the transmitted communications and data.

In the Verona area, the optical fibre network managed by AGSM AIM Smart Solutions is a telecommunications infrastructure that makes use of the capillarity of the subsoil to achieve high coverage in the area.

The service extends across five municipalities, starting from Peschiera del Garda, passing through Verona and reaching Vicenza. A route also starts from Verona that reaches, through the high voltage lines, the Ala power plant.

The metropolitan network is divided into 10 POPs (Points of Presence) connected to each other in a ring to allow high reliability in the event of a section failure.

Through the "RST – Local Services Network", high value-added services are provided, such as:

- VMPs (variable message panels) that provide public utility information to citizens and visitors;
- Number plate reading systems;
- Traffic lights that use the network for traffic programming by detecting active traffic, together with coils placed under the asphalt;
- Emergency call boxes. A network of safety points available to the community;
- Limited Traffic Zone gates controlling access to the city centre of Verona;
- Security cameras. Over 170 cameras guaranteeing constant monitoring by the local police and the police headquarters through the remote viewing of images by means of an optical fibre connection;
- Public Wi-Fi. The connection (freewifi@verona) is provided in the city's main areas as a public service to access the Internet. Under specific agreements, the service is also distributed to the Integrated University Hospital (hospitals of Borgo Trento and Borgo Roma) and to the Verona University. Almost 3,000 antennas provide daily access to thousands of citizens and tourists;
- Public utility sites. The collaboration with the Municipality of Verona made it possible to bring the internet to the public sites of primary interest. To name but a few: libraries, museums, theatres and public buildings.

AGSM AIM Smart Solutions is an Internet Service Provider and a telephone operator which enables the provision of high-content digital services to customers:

- redundant internet bandwidth services via the main national routes;
- Domain Maintainer services (use of public IPs and Domain registrations);
- Lan-to-Lan Transport services for multi-site access;
- perimeter Firewalling services with security management;
- network design and operation;
- sensor and camera installation and maintenance;
- dark fibre;
- Housing services.

For the 54 customers who have signed a contract with the company, the toll-free number 800 394.800 and a 24-hour/365-day support and maintenance service are available.

Customers of the telecommunications service fall into three main categories:

- Public Administrations (e.g. several municipalities, including Verona);
- small/medium/large businesses in the territory;
- telephone operators using the Group's fibre (active or dark) for the services they provide to their customers.

During the reporting period, AGSM AIM Smart Solutions handled 1,196 tickets relating to reports and/or service requests from customers.

The infrastructure development plan provides for the use of existing networks and cable conduits owned by the AGSM AIM Group.

This synergy will reduce excavation activities to lay new cables, limiting the impact on the territory and the inconvenience for citizens.

The 2024 financial year strengthened the Group's activities and commitment to developing infrastructure and digital services supporting the integration of digital technologies, such as the "169 MHz Network" deployed across the territory, which uses radio technology to collect service data and information.

Car parks and car parking services

AGSM AIM Smart Solutions manages ground-level and underground car parks and free and paid parking areas in the City of Vicenza.

The AGSM AIM Group manages a total of 2,352 parking spaces, including 1,574 barrier car parks and 778 pay-and-display (blue-marked parking spaces). During the reporting period, 819,574 vehicles entered the barrier car parks managed by the Group.

AGSM AIM makes paying for parking on blue-marked parking spaces and in barrier car parks convenient but above all smart by providing various circuits that can be used from mobile phones through free apps, available for both Android and iPhone. Blue-marked parking spaces in the city of Vicenza can be paid, as well as in cash, in the appropriate parking meters,

also by smartphone, through active apps such as EasyPark, MyCicero and AIMFACILE, a customised app for parking in the Municipality of Vicenza.

In order to innovate and make parking easier in controlled car parks, AGSM AIM Group activated the “POSSibile” payment service on the city’s four barrier car parks. Vicenza was the first Italian city to introduce this “Card in – Card out” contactless payment system, which is based on the use of a credit/debit card and a smartphone for access. POSSibile makes it possible to avoid using cash and having to get out of the car while paying. This system, the first of its kind in Italy, can be used by all those who possess a contactless card, and does not require any registration or pre-authorisation.

The barrier car parks managed by AGSM AIM Smart Solutions are equipped with POS readers where payment can be made with electronic cards, making the payment process easier and faster.

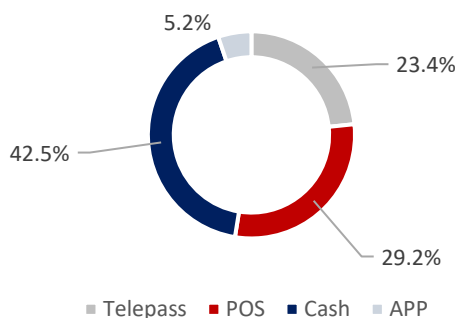


Figure 11 – Payment methods

In order to ensure accessibility to the parking service for all citizens and the correct rotation in the paid parking areas, AGSM AIM Smart Solutions has activated maintenance and emergency services for the payment devices (parking meters and automatic tellers) and control on the regularity of the parking, with the possibility of issuing the penalties under applicable regulations.

1.2.1.5 Environmental services

The AGSM AIM Group, through the company AGSM AIM Ambiente and its subsidiaries, deals with the collection, treatment, recovery of waste and urban health. The Group is also committed to the development and strengthening of material treatment plants with the aim of optimising the management of waste flows.

In carrying out its activities, the Group is committed to new circular economy models. Both in the waste sorting and treatment sector and in the plant sector, the Company is aware that the transformation and valorisation of waste materials is a necessary resource to support the sustainability of our industrial system.

Furthermore, AGSM AIM Ambiente aims to ensure the sustainable quality of the services offered by eliminating, or at least minimising, any malfunctions or disruptions. The level of service is achieved thanks to an infrastructure network closely related to the territory, which guarantees speed and control.

Waste collection

The AGSM AIM Group, through its subsidiaries Valore Ambiente, SERIT, and EcoTirana, takes care of waste collection and disposal, with particular attention to sorted waste collection, recycling processes and proper disposal. The collection of urban waste is mainly managed through door-to-door collection systems and roadside and mixed collection systems.

The method of waste collection is also diversified based on the real nature of the territory served and the characterisation of the users, in particular supplementary home services for specific types of waste are active for non-domestic users.

In the Municipality of Vicenza, residual urban waste is collected at the Monte Crocetta transfer platform (where it is subject to sorting and/or shredding operations) and then sent to the two final plants of the area, i.e. the Schio waste-to-energy plant, not owned by the AGSM AIM Group, and the Grumolo delle Abbadesse landfill, managed by SIA.

During 2024, the companies of the Environment Business Unit collected 533,579 tonnes of urban waste in the 60 municipalities served with about 540 inhabitants.

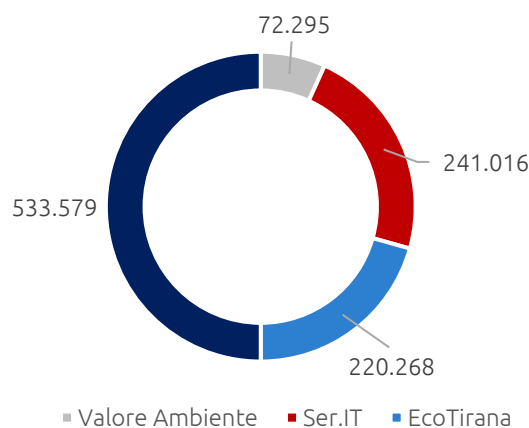


Figure 12 – Waste collection (tonnes)

As part of the waste collection activity, the AGSM AIM Group provides citizens with the mobile recycling service, that is, a mobile rubbish container placed daily near local markets and predisposed for the collection of seven particular types of waste: small household appliances; used clothes; batteries; expired medicines; flammable and dangerous waste; neon and low energy consumption lamps. In addition to the practical waste collection function, mobile recycling serves as a communication vehicle for raising awareness among citizens.

In order to promote the proper collection and disposal of bulky waste, the AGSM AIM Group provides citizens with a bulky waste collection service at home with the collaboration of social cooperatives in equipped recycling plants.

Finally, the AGSM AIM Group carries out a service for monitoring the “abusive” collection of abandoned waste outside the relevant containers.

The Collection Centres are at the service of all domestic users for the correct disposal of bulky and recyclable waste. The Group companies directly manage 20 collection centres, 4 in the Vicenza area and 14 in the Verona area. The four recycling centres active in the Municipality of Vicenza and managed by Valore Ambiente are at the service of all domestic users for the correct disposal of bulky and recyclable waste. Access is also allowed to non-domestic users, covered by Annex L-quinquies to Part IV of Legislative Decree 152/2006, only for the waste indicated in Annex L-quater of the same decree, subject to filling in a specific form.

The collection centres in the reference area, managed through Valore Ambiente and SERIT, are designed with the aim of encouraging the sorted waste collection and recycling of recoverable materials.

In order to guarantee the achievement of the Circular Economy objectives, including the extension of the life cycle of products, specific areas have been set up in two Collection Centres of the Municipality of Vicenza where citizens can provide waste that they intend to dispose of but that can potentially be sent for reuse.

Waste treatment

During the 2024 financial year, the companies in the Environment Business Unit collected 229,133 tonnes of waste.

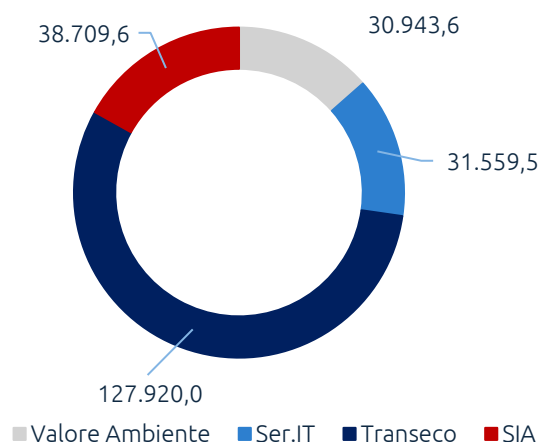


Figure 13 – Treated waste (tonnes)

Material recovery facilities

The subsidiary SERIT operates, in Cavaion Veronese (VR), a plant for the selection and recovery of urban paper and plastic waste which during 2024 treated 31,560 tonnes of waste.

In the Cavaion plant, also known as the Centro Comprensoriale (CC, District Centre), as part of the COREPLA (National Consortium for the Collection, Recycling and Recovery of Plastic Packaging) circuit, the plastic resulting from sorted waste collection is pre-cleaned through a sorting process. Subsequently, the product is pressed and sent to the COREPLA Sorting and Storage Centres. This step is fundamental in the recycling process, since one of the biggest problems in sorted waste collection is precisely related to the presence of foreign material.

Through Transeco, in the Verona area, a plant is managed for the treatment of non-hazardous urban waste (mainly bulky waste, wood, paper) and of special non-hazardous waste. The volume of waste managed in 2024 at the site located in Zevio (VR) amounted to 56,240 tonnes.

How the waste sorting process works

The plastic waste that arrives at the plant is unloaded and reaches the bag opener via a conveyor belt, where it is then conveyed via a connecting belt to the rotary screen.

From here, through two connecting belts, on the one hand the residue with maximum dimensions of 30 cm is brought to the ballistic separator and, on the other hand, the one with dimensions greater than 30 cm is brought directly to the first manual selection belt where it will be sorted into the various accumulation boxes.

The waste sent towards the ballistic separator is divided into 3D and 2D, that is, all the rolling parts flow towards a belt (A) while the light parts such as plastic bags and tetrapak move towards a further belt (B).

The latter (B) will take the material to the second manual selection belt and consequently the waste will be sorted into the various accumulation boxes.

The plastic of the first belt (A) will subsequently pass with the following order below: the magnet, the magnetic separator and the optical reader.

It will then end its cycle on the third and last manual selection belt to be also conveyed to the various accumulation boxes.

All the material conveyed to the accumulation boxes to fill them is automatically transferred to the press to be pressed and subsequently sent to the Sorting and Storage Centre.

Following the transfer of the business unit by AMIA Verona S.p.A., from 1 January 2024 the subsidiary Transeco has been managing a mechanical treatment plant at the Ca' del Bue site, processing urban waste from the city of Verona amounting to 71,680 tonnes during the 2024 financial year. The Ca' del Bue plant is authorised to treat 156,000 tonnes and carries out sorting and selection of waste sent to the site, as well as refining it, resulting in the production of Refuse-Derived Fuel (RDF) for use in industrial processes.

Mechanical treatment plant

In the Vicenza area, Valore Ambiente manages a transfer platform with volume shredder (shredding), storage, sorting and recovery of urban waste from collection in the Municipality of Vicenza together with other smaller quantities of waste from other adjacent municipalities. The volumes handled in the plant amount to 30,944 tonnes.

Landfills

The AGSM AIM Group, through its subsidiaries, manages a landfill in operation located in the municipality of Grumolo delle Abbadesse (VI), three post-operation landfills in the municipalities of Lonigo (VI), Sandrigo (VI) and Cà Nova (VR), and a landfill leachate treatment plant.

The Grumolo delle Abbadesse landfill operates in the field of disposal of urban waste mainly deriving from the sorted waste collection system, and special non-hazardous waste from urban waste sorting and mechanical separation plants, located mainly in the territory of the Province of Vicenza, within an integrated management system for urban waste disposal, organised and planned at regional level. Before being stored in the tank, the waste is reduced into pressed cubes in order to occupy less space.

Regarding the marketing of integrated environmental services, Transeco handled **9,872 tonnes**, of which **782 tonnes** were hazardous waste and **9,090 tonnes** were non-hazardous waste.

With regard to the integrated environmental services provided by Transeco, these include but are not limited to:

- technical and legislative advice;
- environmental and waste analysis (testing);
- management of waste transport, recovery or disposal through third parties;
- sale and/or rental of storage equipment;
- assistance in fulfilling annual obligations with the supervisory bodies (Chamber of Commerce, Ministry of the Environment);
- sanitisation of premises and areas through authorised third parties.

During 2024, **38,710 tonnes** of waste **were deposited** in the active landfill of Grumolo delle Abbadesse, also taking into account the rate coming from special non-hazardous waste. During the previous financial year, the volumetric remodulation of the landfill was approved, which will bring new volumes available for the years to come, thanks to the reconfiguration of the banks and the subsequent filling of these volumes, for a total availability of 440,000 cubic metres. The Fossalunga landfill in Lonigo (VI) is managed by the subsidiary SIT, through a contract for the management by CIAT (Consorzio per l'Igiene Ambientale e del Territorio) regarding all post-operation activities, as well as for the Masona landfill in Sandrigo (VI), where SIT, however, holds the authorisation for the management of the related activities.

SIT, as part of a temporary association with Tecnologie Ambientali S.r.l., manages under concession a reverse osmosis plant to treat landfill leachate in Strillaie, Grosseto.

Surveillance, environmental monitoring and maintenance activities are carried out at the landfills under post-closure management. A photovoltaic plant is active in the two Vicenza sites, while the technical and administrative procedures for permanent safety of the site are currently under way at the Verona site.

City services

Street hygiene is necessary for the decorum and cleaning of streets and public areas, and is a constant commitment undertaken by the Group companies, such as Valore Ambiente and SERIT, towards the territory served. Street cleaning and hygiene services are carried out exclusively in public areas, or private areas for public use. The services offered include:

- **sweeping the streets** (mechanically or manually) indispensable for the urban health and decorum, for the **cleaning** of streets, squares and pavements also following sports events and local markets. The frequency of street sweeping is defined according to the characteristics of the area, vehicle traffic and use. Manual sweeping activities also include emptying the wastepaper bins, replacing the bag and replenishing the dog waste shovel dispensers;
- **street washing**, normally active in the period from March to November, when the weather conditions make it possible to ensure operating in compliance with the safety of road traffic, to assist the activity of manual and mechanical sweeping for cleaning and hygiene of public streets and pavements. It takes place during the night in the monumental area, and during the day in the areas outside the city centre, and is also provided on rainy days in the case of special events. The activity is a significant sanitisation of the public streets and pavements as it combines the three basic activities: manual and mechanical sweeping and street washing;
- **cleaning of municipal parks and gardens** including regular emptying of waste-paper bins. The frequency of service provision depends on the location and use of the site;
- **high-pressure water cleaning** is an indispensable addition to standard cleaning procedures, and is used to treat important, architecturally prestigious sites, or particular situations of decay, and to rid surfaces of excreta and guano;
- **collection of leaves**, performed using small and large mechanical or vacuum auto-sweepers, operated by workers who either manually, or with the use of blowers, move the leaves from the roadsides and pavements towards the area where the sweepers are operating, and if necessary using a truck fitted with leaf-vacuuming equipment;
- **street weeding**, through manual and mechanical systems by using a 'vapodiserbo' (steaming of weeds), a natural system for the elimination of weeds. The service includes weeding of the roadsides, pavements and the edges of traffic islands along the entire length of the city's road network.

1.2.2 Our commitment to stakeholders

[ESRS_2, SBM-2, DP 45a, 45b, 45d]

AGSM AIM's attention to its stakeholders is based on the values set out in the Group's Code of Ethics, which defines the guidelines to be adopted in relations with each stakeholder, establishing principles and modes of conduct for each of them.

Building a relationship of mutual trust with the Group's stakeholders starts from considering their interests and their compatibility with those of the organisation.

Stakeholder engagement is at the core of the Consolidated Sustainability Reporting.

Stakeholder engagement activity is continuous and is carried out both through established practices (customer satisfaction surveys, meetings with employees, etc.) and when fulfilling statutory obligations (e.g. shareholders' meetings, discussions with trade unions, etc.).

The Group is committed to listening to and understanding the needs of its stakeholders to ensure positive and lasting relationships. The Company is committed to promoting a process of gradual listening and dialogue, which is open and transparent, with a view to integrating this with its strategic choices.

Based on the results of external and internal context analysis, it was possible to identify the categories of stakeholders most relevant to the Group. This process was carried out in consideration of the potential degree of influence, interest and impact that:

- stakeholders have on our organisation;
- the organisation has on its stakeholders, in consideration of the Group's activities and products/services, as well as performance.



Figure 14 - Stakeholders of the AGSM AIM Group

The table below shows, for each stakeholder category identified and involved in the Double Materiality Analysis process, the types of engagement methods used and the relevant topics.

STAKEHOLDERS	ENGAGEMENT ACTIVITIES	RELEVANT TOPICS FOR THE STAKEHOLDERS
PEOPLE Employees and non-employees Trade union representatives	<ul style="list-style-type: none"> · Corporate intranet · Engagement initiatives · Training meetings and webinars · Meetings with trade union representatives · Dedicated whistleblowing channel · Health surveillance and occupational safety monitoring actions 	<ul style="list-style-type: none"> · Climate change · Circular economy · Decarbonisation, energy efficiency and the use of renewable sources · Protection of the environment, biodiversity and ecosystems · Smart cities and sustainable mobility · Corporate wellbeing, diversity and inclusion – protection of human rights · Occupational health and safety · Technological innovation and digital transformation
CUSTOMERS Domestic customers and other uses Resellers Consip Business customers Associations	<ul style="list-style-type: none"> · Customer satisfaction surveys · Management of reports to the customer care service · Company websites 	<ul style="list-style-type: none"> · Climate change · Circular economy · Decarbonisation, energy efficiency and the use of renewable sources · Protection of the environment, biodiversity and ecosystems · Smart cities and sustainable mobility · Development of distribution networks · Attention to customer needs and customer satisfaction · Technological innovation and digital transformation
SHAREHOLDERS Public and private shareholders Municipalities of Verona and Vicenza Minority shareholders (for subsidiaries)	<ul style="list-style-type: none"> · Shareholders' meetings 	<ul style="list-style-type: none"> · Climate change · Circular economy · Decarbonisation, energy efficiency and the use of renewable sources · Protection of the environment, biodiversity and ecosystems · Smart cities and sustainable mobility · Development of distribution networks · Commitment to local communities and protection of the territory · Technological innovation and digital transformation · Governance geared towards sustainable success · Business integrity and corporate reputation
LENDERS AND INVESTORS Credit institutions Investment funds	<ul style="list-style-type: none"> · Specific meetings 	<ul style="list-style-type: none"> · Climate change · Circular economy · Decarbonisation, energy efficiency and the use of renewable sources · Protection of the environment, biodiversity and ecosystems · Governance geared towards sustainable success · Business integrity and corporate reputation

STAKEHOLDERS	ENGAGEMENT ACTIVITIES	RELEVANT TOPICS FOR THE STAKEHOLDERS
SUPPLIERS Suppliers of works, goods and services	<ul style="list-style-type: none"> Specific meetings Supplier audits 	<ul style="list-style-type: none"> Climate change Circular economy Decarbonisation, energy efficiency and the use of renewable sources Protection of the environment, biodiversity and ecosystems Responsible supply chain management Occupational health and safety Technological innovation and digital transformation
AUTHORITIES AND INSTITUTIONS Reference local authorities Regulatory and control bodies Universities and research institutes	<ul style="list-style-type: none"> Partnerships and collaborations Meetings with institutions Meetings with regulators and authorities 	<ul style="list-style-type: none"> Climate change Circular economy Decarbonisation, energy efficiency and the use of renewable sources Protection of the environment, biodiversity and ecosystems Development of distribution networks Occupational health and safety Governance geared towards sustainable success Business integrity and corporate reputation
COMMUNITY AND TERRITORY Local and trade associations Citizens Citizen committees Media and social media	<ul style="list-style-type: none"> Interviews, services and live TV, press conferences Working groups Collaboration in the organisation of conferences and events Support and participation in local events 	<ul style="list-style-type: none"> Climate change Circular economy Decarbonisation, energy efficiency and the use of renewable sources Protection of the environment, biodiversity and ecosystems Smart cities and sustainable mobility Development of distribution networks Commitment to local communities and protection of the territory Technological innovation and digital transformation Governance geared towards sustainable success Business integrity and corporate reputation

Table 3 - Stakeholder Mapping

The AGSM AIM Group also adopts proactive and multi-channel communication as a complementary tool for dialogue with its stakeholders. In this regard, the activity on the main social media channels¹³ involves sharing content aimed at disseminating the activities and initiatives carried out by the Group and raising awareness among stakeholders on sustainability issues.

During the 2024 financial year, AGSM AIM initiated a stakeholder engagement process prior to developing the Double Materiality Analysis, involving different categories of stakeholders through a survey aimed at gathering their views on the importance of sustainability topics (environmental, social, and governance) considered relevant and potentially significant for each category. Thanks to specific free and optional fields provided for and included in the questionnaires, stakeholder engagement activities have also allowed the collection of opinions and suggestions expressed directly by the individual stakeholders on projects and sustainability objectives that the Group should set itself.

The analysis of the results from the surveys submitted to stakeholders was approved by the Board of Directors on 7 April 2025.

¹³The social channels of the AGSM AIM Spa Parent Company alone are: Facebook, Instagram, LinkedIn, X, YouTube. The company V-Reti has a LinkedIn channel available.

1.3. Key sustainability issues

[ESRS_2, SBM-3, DP 48a, 48d, 48h]

[ESRS_2, IRO-1, DP 53a, 53b, 53c, 53d, 53e, 53g, 53h]

Within its 2024 Consolidated Sustainability Report, AGSM AIM has developed a Double Materiality Analysis structured according to the requirements of the European Sustainability Reporting Standards (ESRS) established by the EFRAG (European Financial Reporting Advisory Group).

The Double Materiality Analysis combines two dimensions: impact materiality and financial materiality. Impact materiality refers to the effects the business has, both positive and negative, actual or potential, on individuals or the environment related to its own operations and its value chain, upstream and downstream, including through product distribution, service delivery, and commercial relationships (the inside-out perspective). Financial materiality refers to the risks or opportunities that have, or can reasonably be expected to have, a significant influence on the company's growth, financial position, economic results, cash flows, access to funding, or cost of capital (the outside-in perspective).

The analysis was organised according to the three main phases described below.

1. Understanding and Identifying Impacts, Risks and Opportunities (IROs)

The first phase involved analysing and understanding the context in which the Group operates, with the aim of defining a preliminary list (a long-list) of all impacts generated by AGSM AIM's activities along its value chain, together with a collection of risks and opportunities that could affect the Group's financial position. Specifically, for the Group, three different value chains linked to the various services provided were taken into consideration:

- **Energy Services:** includes the activities of generation, distribution, and marketing of energy products and services carried out by the Power, Heat, Market Business Units and the company V-Reti;
- **Environmental Services:** includes the activities carried out by the companies within the Environment Business Unit related to waste collection and treatment;
- **Other Services:** includes the value-added activities carried out by AGSM AIM Smart Solutions.

The mapping of Impacts, Risks and Opportunities (so-called IROs) was developed based on the 10 thematic ESRS standards found in Appendix A of ESRS 1, through a breakdown by the Group's three service lines, considering the differences between the various businesses operated. This differentiation led to the identification of a list of IROs at Group level, along with specific lists for each service line.

The mapping process did not result in any entity-specific IROs being identified.

The identification of the aforementioned IROs was based on two primary sources of information:

1. understanding the organisation's **internal context** included a review of the existing internal corporate regulations, as well as mapping and analysing the value chains of the Group's different service lines and the categories of stakeholders involved. Factors such as the types of business, the nature of activities, the geographical areas involved, and the Group's main dependencies on the supply of raw materials, goods, services, processing, processes, and target markets were also taken into account.
2. understanding the organisation's **external context**, which included analysing industry reports, relevant standards and regulations, and conducting a comparative analysis of peers and competitors representative of the various businesses in which the Group operates.¹⁴ Additionally, the findings of stakeholder engagement activities carried out during 2024, through surveys sent to multiple stakeholder categories, were included in the analysis.

2. Assessment of Impacts, Risks and Opportunities

The identified and mapped IROs were then assessed using a qualitative-quantitative model, developed in accordance with the requirements set out in ESRS 1.

Impact materiality

The assessment of impacts over the short, medium or long term (as defined by ESRS 1)¹⁵ was carried out based on the likelihood of the impact occurring and its significance (for positive impacts) or severity (for negative impacts), using the following criteria:

- **Scale:** how severe the negative impact is or how beneficial the positive impact is for people or the environment;
- **Scope:** the extent of the impact in terms of geographical area and the stakeholders affected;
- **Irreversibility** (for negative impacts): the extent to which it is possible to return to the previous state or condition.

Value scales ranging from 1 to 4 were used for all the criteria mentioned above.

In the event of potential negative impacts on human rights, the severity of the impact was prioritised over the likelihood of occurrence.

The assessment of impact materiality is calculated as the product of probability and significance, resulting in a single value that reflects the expected effect.

Financial materiality

The risks and opportunities identified during the mapping phase were assessed based on the magnitude of potential financial effects and the likelihood of occurrence.

¹⁴ The following references were used for the analysis of sector-specific reports, standards and regulations: ESRs (European Sustainability Reporting Standards), MSCI (Morgan Stanley Capital International), SASB (Sustainability Accounting Standards Board), ENCORE (Exploring Natural Capital Opportunity Risks and Exposure), UNEP (United Nations Environment Programme), Natura 2000 Network and Aqueduct Water Risk Atlas.

¹⁵ Short term: the period adopted by the company as its financial reporting reference period (i.e. twelve months). Medium term: up to 5 years from the end of the short-term reference period (i.e. from the thirteenth month to the end of the fifth year).

Long-term: over 5 years.

Specifically, regarding magnitude, during the assessment of the relevance of risks and opportunities, their potential financial effects over the short, medium, and long term were considered based on scenarios and forecasts deemed likely, as well as potential impacts arising from assets and liabilities not yet recognised in the financial statements.

The main currently observable financial impacts occur in the form of:

- operating costs (OpEx), linked to environmental regulation adaptations and mitigation efforts;
- investments (CapEx), required for improving the efficiency of plants, processes, and technologies used;
- impacts on profitability (Turnover) and margins (EBITDA).

Any risks that may lead to significant current financial impacts are periodically identified and assessed to inform industrial and financial planning and, where appropriate and relevant, the necessary provisions are made.

To promptly detect any significant changes in the financial position, the Group maintains an active monitoring system designed to identify any changes that may impact the assets and liabilities reported in the consolidated financial statements.

The impacts described above on EBITDA, Turnover, CapEx and OpEx have been assessed using a scale from 1 to 4, consistent with the metrics defined in the Enterprise Risk Management (ERM) model adopted at the AGSM AIM Group level.

The assessment of financial materiality was ultimately determined by calculating the product of probability and magnitude, thereby obtaining a consolidated value representative of the expected financial impact.

3. Definition of results

Following the evaluation of the IROs, a single cut-off threshold was set at the value of 8 (eight), and a consistency check was carried out between the impact materiality and financial materiality results. These were then coordinated and integrated within AGSM AIM's Enterprise Risk Management (ERM) model.

It should be noted that, in accordance with regulatory guidelines, the AGSM AIM Group plans to establish a new stakeholder engagement plan starting from 2025, which will include specific meetings and workshops with key opinion leaders and representatives of the Group's main stakeholders.

This analysis was approved by the Board of Directors on 7 April 2025 and will be updated annually.

In the individual chapters on sustainability issues considered material for the AGSM AIM Group, a full list of relevant impacts, risks, and opportunities is provided, covering both the Group's direct operations and the activities upstream and downstream along the value chain.

The following table provides a summary view of the results of the Double Materiality Analysis.

Ref. ESRS	Sub-category – Subdivision of sub-category	Impact materiality		Financial materiality	
		Stage of the value chain	Time horizon	Stage of the value chain	Time horizon
E1	Climate change mitigation	<ul style="list-style-type: none"> Upstream Own operations Downstream 	<ul style="list-style-type: none"> Short Medium Long 	<ul style="list-style-type: none"> Upstream Own operations Downstream 	<ul style="list-style-type: none"> Short Medium Long
E1	Climate change adaptation	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
E1	Energy	<ul style="list-style-type: none"> Upstream Own operations Downstream 	<ul style="list-style-type: none"> Short Medium Long 	<ul style="list-style-type: none"> Own operations Downstream 	<ul style="list-style-type: none"> Short Medium Long
E2	Microplastics	<ul style="list-style-type: none"> Upstream Own operations Downstream 	<ul style="list-style-type: none"> Short 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
E2	Pollution of air	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Medium Long 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
E3	Water withdrawals	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Short Medium 	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Short Medium Long
E3	Water consumption	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
E3	Water discharges	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long

Ref. ESRs	Sub-category – Subdivision of sub-category	Impact materiality		Financial materiality	
		Stage of the value chain	Time horizon	Stage of the value chain	Time horizon
E4	Direct impact drivers on biodiversity loss – Direct exploitation	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Medium Long 	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Short Medium Long
E4	Direct impact factors on biodiversity loss – Changes in land use, freshwater use, and marine use	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Medium Long 	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Short Medium Long
E5	Resources inflows, including resource use	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Short 	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Short Medium Long
E5	Resource outflows related to products and services	<ul style="list-style-type: none"> Downstream 	<ul style="list-style-type: none"> Medium Long 	n.a.	n.a.
E5	Waste	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Short Medium Long 	<ul style="list-style-type: none"> Upstream Own operations 	<ul style="list-style-type: none"> Medium Long
S1	Working Conditions - Secure employment	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium
S1	Working conditions - Adequate wages	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium Long 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium
S1	Working conditions – Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
S1	Working Conditions - Health and Safety	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long
S1	Working conditions - Social dialogue	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium
S1	Working conditions - Collective bargaining	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium
S1	Equal treatment and opportunities for all - Gender equality and equal pay for work of equal value	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium Long
S1	Equal treatment and opportunities for all - Training and skills development	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium Long 	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium
S1	Equal treatment and opportunities for all - Diversity	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium 	n.a.	n.a.
S1	Other work-related rights - Confidentiality	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Short Medium 	n.a.	n.a.
S1	Other work-related rights - Child labour	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium
S1	Other work-related rights - Forced labour	n.a.	n.a.	<ul style="list-style-type: none"> Own operations 	<ul style="list-style-type: none"> Medium
S2	Working Conditions - Secure employment	<ul style="list-style-type: none"> Upstream Downstream 	<ul style="list-style-type: none"> Short Medium 	<ul style="list-style-type: none"> Upstream 	<ul style="list-style-type: none"> Short Medium

Ref. ESRs	Sub-category – Subdivision of sub-category	Impact materiality		Financial materiality	
		Stage of the value chain	Time horizon	Stage of the value chain	Time horizon
			• Long		• Long
S2	Working Conditions - Health and Safety	n.a.	n.a.	• Upstream	• Short • Medium • Long
S2	Other work-related rights - Child labour	• Upstream	• Short • Medium	• Upstream	• Short • Medium • Long
S2	Other work-related rights - Forced labour	• Upstream	• Short • Medium	• Upstream	• Short • Medium • Long
S2	Other work-related rights - Confidentiality	• Upstream • Downstream	• Short • Medium	• Upstream	• Short • Medium
S3	Communities' economic, social and cultural rights - Water and sanitation services	• Own operations	• Short • Medium	N.A.	N.A.
S3	Rights of Indigenous Peoples - Free, Prior and Informed Consent	• Upstream • Own operations	• Medium • Long	• Own operations	• Short • Medium • Long
S4	Information-related impacts for consumers and/or end-users - Confidentiality	• Own operations • Downstream	• Short • Medium	N.A.	N.A.
S4	Information-related impacts for consumers and/or end-users - Access to (quality) information	• Own operations • Downstream	• Short • Medium	• Own operations	• Short • Medium • Long
G1	Corporate culture	• Upstream • Own operations • Downstream	• Short • Medium • Long	• Upstream • Own operations • Downstream	• Short • Medium • Long
G1	Protection of whistle-blowers	N.A.	N.A.	• Upstream • Own operations • Downstream	• Short • Medium • Long
G1	Management of relationships with suppliers including payment practices	• Upstream • Own operations	• Short • Medium	• Upstream • Own operations	• Short • Medium • Long
G1	Active and passive corruption – Prevention and detection, including training	• Upstream • Own operations • Downstream	• Short • Medium	• Upstream • Own operations	• Short • Medium • Long
G1	Corruption and bribery – Events	• Upstream • Own operations • Downstream	• Short • Medium • Long	• Upstream • Own operations	• Short • Medium • Long

Table 4 – Results of the double materiality analysis

1.3.1 AGSM AIM Group's commitments to sustainable growth

[ESRS_2, SBM-3, DP 48b, 48c]

As described in the previous paragraph, the AGSM AIM Group has identified a series of relevant impacts, risks and opportunities, appropriately detailed within the thematic ESRS chapters. These have been identified by considering all activities related to the business model and the value chain, both upstream and downstream, including the involved counterparts such as suppliers and customers.

The identified impacts directly affect people and the environment both in the short and medium-to-long term. On one hand, negative impacts such as greenhouse gas emissions, natural resource consumption, and potentially inadequate working conditions can adversely affect the environment and people. On the other hand, the positive impacts generated by the initiatives implemented by the Group can create benefits for the context in which it operates and improve the conditions of people directly or indirectly involved in the business activities. Further details are provided within the chapters of the thematic ESRS.

The Group tackles these impacts through their integration into strategic decision-making processes. This is achieved through the periodic update of its Business Plan, facilitating the integration of business expansion and economic-financial results with environmental and social sustainability.

The initiatives put in place are closely linked to the Group's dedication to the Sustainable Development Goals (SDGs), defined in September 2015 as part of the United Nations Global Agenda. It is an action plan whose implementation requires States, productive sectors, enterprises, financial institutions, non-governmental organisations and civil society to orient their programmes towards these goals.

The goals of the 2030 Agenda, divided into 169 targets to be achieved by 2030, represent the blueprint on which to build a path to sustainable development through an integrated approach and tangible measures to address a major socio-economic paradigm shift, the many complex environmental and institutional challenges.

The AGSM AIM Group has decided to make its own contribution to achieving these goals: in declaring its charter of commitments for the coming years, AGSM AIM has chosen to link its actions with the SDGs most akin to its core business and strategic lines of action. The strategies and actions envisaged in the AGSM AIM Group's Business Plan are aimed at sustainability and traced back to 10 of the 17 SDGs.



Figure 15 – Sustainable Development Goals

Specifically, with regard to environmental issues, the Group is committed to reducing its impacts through the sustainable and efficient management of energy, water, and other natural resources used, as well as safeguarding the natural value and biodiversity of the territories in which it operates by implementing appropriate controls and environmental measures.

From a social perspective, the protection and promotion of its workforce are fundamental elements of AGSM AIM's strategy, which places particular emphasis on workplace health and safety and on encouraging employee training. The Group also carries out its activities with a constant commitment to establishing an inclusive approach, aimed at minimising negative impacts on workers along the value chain and on the communities in the territories where it operates.

Finally, with regard to governance aspects, the Group continues to pursue and promote high standards of fairness, loyalty, integrity and transparency.

The following provides further details on the commitments undertaken by the Group:



The AGSM AIM Group is committed to providing practical answers to its customers every day. Aware of the impact that the expensive bills have had on families and businesses especially in recent years, AGSM AIM has established **ad hoc funds to pay** electricity, gas and district heating **bills**. The **possibility of paying by instalments has been expanded** and more people have been assigned to addressing the numerous requests for information and enquiries from customers.



The AGSM AIM Group considers continuing education and training an essential tool for social and economic development and, therefore, provides its employees with ongoing training courses for professional and personal growth.

During 2024, the Group provided specific training courses to develop individual skills and for technical and regulatory updating in the field of personal data protection, cyber security, occupational health and safety and preventing corruption. **There were 19.04 hours of training per capita, provided both in-house and at specialised external centres.**

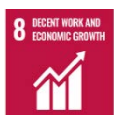
AGSM AIM also cooperates with several universities, giving students the opportunity to carry out curricular training projects lasting about three months.



AGSM AIM supports the potential of women working within the Group by promoting full and effective participation and equal opportunities for leadership at all levels of decision-making in corporate life, preventing favouritism and gender discrimination. During the 2024 financial year, the Group launched projects aimed at raising awareness among employees about DE&I, fostering a culture of inclusion that resulted in the Parent Company receiving **certification for gender equality in accordance with the UNI/PdR 125:2022 standard**.



The goal of the energy transition is an integral part of AGSM AIM's Business Plan, increasing, year after year, the share of energy generated from renewable sources and allocating 100% of investments in energy production to plants from green sources, in particular wind and photovoltaic. In 2024, the **electricity produced** by plants powered by **renewable sources represented 56.60%** of the total energy produced by the Group.



People are at the core of the Group's growth project. AGSM AIM pays particular attention to the healthiness of the workplace. Therefore, it undertakes to **comply with the highest safety and health standards of the work environment**, to offer optimal conditions and to pay adequate wages.



AGSM AIM promotes **scientific and technological development aimed at environmental protection and safeguarding resources** by adopting criteria for safeguarding and energy efficiency. More specifically, the Group is active in infrastructure improvement projects in networks, smart services, environmental health, power generation and district heating.



The Group is aware that **its commitment to environmental protection represents a competitive advantage in a market that is increasingly attentive to the quality of services**. AGSM AIM supports the circular economy by enhancing the integrated waste management service, ensures urban cleanliness, promotes cultural initiatives, develops fibre optic telecommunications infrastructure, and contributes to transforming city mobility by encouraging the use of electric vehicles.



The efficient use of renewable sources and the shift towards sustainable production processes contribute to minimising our environmental footprint. AGSM AIM has always been committed to **reducing the use of fossil fuels**, one of the elements most responsible for climate change, and **improving the energy efficiency of production sites and company offices**. The AGSM AIM Group also provides customers with information about proper sorted waste collection practices and domestic energy consumption.



The AGSM AIM Group contributes to caring for the planet by protecting the territory, promoting the circular economy and electric mobility. It pays great attention and makes important investments in **developing renewable sources in order to create a more sustainable energy system**, less dependent on fossil fuels and, therefore, less polluting.



AGSM AIM actively contributes to achieving the United Nations Sustainable Development Goal on "Peace, justice and strong institutions" (SDG no. 16) by **carrying out business activities inspired by high standards of fairness, loyalty, integrity and transparency and in compliance with current legislation**. In this regard, the Group adopts policies aimed at spreading the culture of legality, protecting the company's reputation, thus ensuring value creation over time.

The Sustainable Development Goals of the 2030 Agenda and the extraordinary challenges arising from energy transition have heightened the awareness of sustainable development, which entails a business model able to guarantee resilience, flexibility and effectiveness in the long term. These goals and challenges are combined with the ability to reduce risks and respond to external factors, also of an exceptional magnitude.

AGSM AIM has adopted its **Sustainability Management Policy** as the set of choices and behaviours that allow the Group to pursue its corporate purpose, guaranteeing its long-term profitability and competitiveness and enhancing the interests of all its stakeholders.

The ambition to pursue sustainable success and the daily commitment to ensuring the integration of environmental, social and good governance principles into its business model are essential elements to create value to benefit its stakeholders, with particular attention to the community and the territory in which the Group operates.

For the AGSM AIM Group, Sustainability means conducting its activities with a view to the future and orienting the business strategy towards creating value for stakeholders in the medium and long term. In this context, AGSM AIM intends to base its activities on ensuring a sustainable approach in terms of respect for people, the environment and the adoption of good governance practices of our organisation.

AGSM AIM has sustainability issues at its core and strongly believes in integrating Environmental, Social and Governance (ESG) criteria.

As a responsible operator, AGSM AIM believes that sustainable development and more generally sustainability, broken down into the three dimensions included under the acronym ESG, play a fundamental role in today's economic landscape.

In fact, sustainability represents the guiding star for the future development of the Group which, in the 2022-2025 Business Plan, foresees the investment of a significant part of the Euro 600 million in projects that encourage the transformation of the sector towards green and digital, circular transformation and decarbonisation.

The Group is aware that sustainability is not a precise objective but a process, which it decided to call “**The Path to sustainability**”. It is a project that imposes new perspectives on a daily basis, with the awareness that the path is still long and demanding.

The Group bases its activities on the ten principles of the United Nations Global Compact (UNGC) on human rights, labour, environment and anti-corruption. In 2024, it renewed its membership in the United Nations initiative by committing to respect and integrate the ten principles on human rights, labour, the environment and the fight against corruption into its activities (www.globalcompactnetwork.org). Therefore, the AGSM AIM Group submits the COP (Communication on Progress) on an annual basis, whereby it maintains a transparency relationship with the Global Compact and its stakeholders, reporting its contribution to the dissemination and observance of the ten fundamental principles.

AGSM AIM intends to continuously adopt the 10 Universal Principles in its business strategy, but even more so in the culture of its organisation.



HUMAN RIGHTS	<p><i>1. Support and respect the protection of internationally proclaimed human rights within the respective spheres of influence.</i></p> <p><i>2. Make sure that it is not, albeit indirectly, complicit in human rights abuses.</i></p> <p>AGSM AIM respects, protects and promotes human rights and fundamental freedoms for all by committing to guarantee professional relationships with its stakeholders based on respect for human dignity.</p>
LABOUR	<p><i>3. Uphold the freedom of association and the effective recognition of the right to collective bargaining.</i></p> <p><i>4. Support the elimination of all forms of forced and compulsory labour.</i></p> <p><i>5. Support the effective abolition of child labour.</i></p> <p><i>6. Support the elimination of discrimination in respect of employment and occupation.</i></p> <p>Attention to People is a central element of the AGSM AIM Group's growth project as they represent an essential factor for carrying out the activity and achieving the company objectives. AGSM AIM promotes an inclusive work environment, which encourages a work-life balance, able to value people, respectful of human dignity and individuality.</p>
ENVIRONMENT	<p><i>7. Support a precautionary approach to environmental challenges.</i></p> <p><i>8. Undertake initiatives to promote greater environmental responsibility.</i></p> <p><i>9. Encourage the development and diffusion of environmentally friendly technologies.</i></p> <p>AGSM AIMS safeguards the landscape heritage of the territory in which it operates by adopting policies to preserve, protect and maintain the environment, ecosystems and biodiversity. The aim is to reduce the environmental impact of its activity, adopting an approach oriented towards monitoring and continuous improvement of performance, starting from compliance with current legislation with a constant focus on protecting the environment and mitigating the loss of biodiversity.</p>
ANTI-CORRUPTION	<p><i>10. Work against corruption in all its forms, including extortion and bribery.</i></p> <p>The Group adopts policies aimed at spreading the culture of legality, protecting the company's reputation, thus ensuring value creation over time. In the belief that the fight against corruption represents a fundamental value in the conduct of its business, AGSM AIM has defined and adopted, on a voluntary basis, its Group Code of Ethics, the Anti-Corruption Policy and, where deemed appropriate, the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.</p>

1.4. Sustainability governance

[ESRS_ 2, GOV-1, DP 21a, 21b, 21d, 21e, 22a, 22b, 22c, 23a, 23b]
[ESRS_S1, DR S1-9, DP 66a]

The organisational model of the AGSM AIM Group consists of a comprehensive system of delegated powers and powers of attorney in relation to the acts and transactions concerning the individual corporate Departments.

The Group's corporate governance system is designed to ensure sustainable success and the creation of economic, social and environmental value for shareholders and for the local community over the medium/long term, being aware of the ESG impacts of the business activities in which it is engaged and while respecting the interests of all stakeholders involved in its operations.

The Corporate Governance structure is represented by the rules and forms of behaviour adopted by AGSM AIM in order to guarantee the fair, effective and transparent working of the Company's governance bodies and control systems of the Parent Company and the companies directly controlled by it, in compliance with the "Management and Coordination Guidelines" adopted at Group level in May 2022.

The Group's operating companies, in concert with the Parent Company, manage the "technical-specialist" aspects of the services carried out - marketing and distribution of gas, electricity and district heating and environmental health, parking, public lighting and telecommunications services - including through consultation with the various administrative, regulatory and control bodies.

As the Parent Company, AGSM AIM S.p.A. centralises its typical structure activities on its own by providing services to most of the companies belonging to the Group. In particular, in addition to activities directly related to the production of electricity, the Company is responsible for administrative and financial activities, the management of human resources, legal and corporate affairs, compliance and quality, the management of health and safety in the workplace, environmental protection, the management of owned assets, as well as risk management, communication and marketing, planning and development activities.

The companies belonging to the AGSM AIM Group have adopted a traditional administration and control system that consists of the typical administration, management and control bodies provided for by current legislation, supplemented by the provisions of their respective articles of association.

On the other hand, the subsidiary EcoTirana Sh.A. has adopted a two-tier system in which administration and control are exercised by a Management Board and a Supervisory Board.

Shareholders' Meeting

The Shareholders' Meeting is mainly responsible for approving the Separate Financial Statements and for deciding on the distribution of profits, the appointment and dismissal of the management body, the control body and the independent auditors, as well as on the approval of extraordinary transactions involving changes to the corporate structure, such as changes to the legal form, mergers and demergers.

Board of Statutory Auditors

The Board of Statutory Auditors is a control body that oversees that the law and the Articles of Association are complied with, that the principles of correct management are observed and that the organisational, administrative and accounting system adopted by the Group Companies is adequate and works properly.

Demonstrating the Group's high commitment to diversity, women make up 34.2% of the members of the supervisory bodies, with men accounting for 65.8%.

Governing bodies

The Management Bodies (Board of Directors or Sole Director) of the Group companies play a central role, since they are responsible for all the strategic and organisational choices that are necessary to achieve the corporate purpose.

Pursuant to the articles of association adopted individually by the subsidiaries, the Management Body is vested with all broadest powers for the ordinary and extraordinary management of the company. It is entrusted with all the necessary and appropriate acts to implement the corporate purpose, excluding only those reserved by law or the Articles of Association to the shareholders' meeting.

The AGSM AIM Group has directly integrated the management of sustainability issues into its governance bodies. The Group's administration, management, and supervisory bodies have the appropriate skills to effectively address sustainability issues.

Specifically, the Parent Company is governed by a Board of Directors consisting of six members, including two women, which comprises the Chairperson, the Vice Chairperson, and the Chief Executive Officer, all vested with specifically delegated executive powers; the remaining three members of the board are non-executive and independent. The description of the process of appointment and selection of the Board of Directors is set out in the Articles of Association, which can be consulted on the Company's website (www.agsmait.it) in the corporate governance section.

The Board of Directors of AGSM AIM S.p.A. approves the consolidated Sustainability Report, ensuring it is prepared and published in accordance with the provisions of Legislative Decree 125/24 and Group policies, including the Sustainability Management Policy. Supporting the Board of Directors, the Management Risk Committee supervises internal control and risk management matters, including those related to ESG aspects connected to the company's operations, while simultaneously monitoring the adequacy and effectiveness of the internal control system.

The Board of Directors and the Management Risk Committee (with the participation of the Parent Company CEO) play a key role in sustainability management.

All the Directors meet the requirements pursuant to Article 2382 of the Italian Civil Code and all the directors appointed by the Shareholders' Meeting have the necessary skills with reference to the characteristics of the business carried out by AGSM AIM.

No employees or other workers are represented within the governing, executive, or supervisory bodies.

AGSM AIM ensures, in the composition of the corporate bodies, the balanced representation of gender and guarantees the presence of independent Directors in accordance with current legislation.

The members of the Management Body, appointed by the respective shareholders' meetings on the basis of lists submitted by the shareholders, hold office for three financial years and may be re-elected. Each chairperson has the powers and duties set out in Article 2381 of the Civil Code.

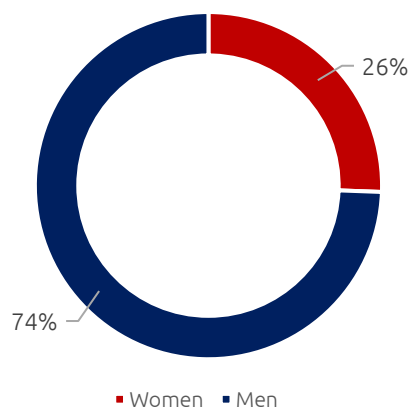


Figure 17 – Composition of the Management Bodies of the Group companies

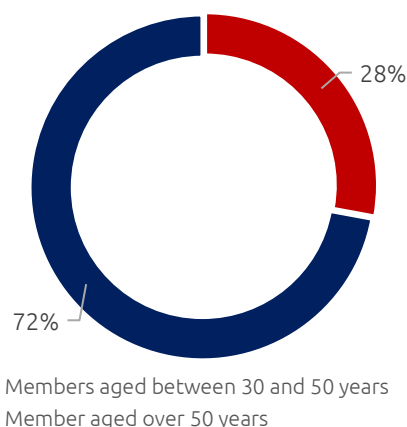


Figure 18– Age of the Management Bodies' members of the Group companies

1.4.1 Sustainability-linked performance in incentive plans

[ESRS_2, GOV-3, DP 13, 29a, 29b, 29d, 29e]

Within the remuneration framework for the members of the Board of Directors and the Board of Statutory Auditors, the only individuals eligible for incentive schemes are the executive directors of the Group companies. In fact, in addition to a fixed annual salary, they are also awarded an annual variable component (MBO). The annual variable component (MBO) is also contractually granted to the executives and managers of the AGSM AIM Group.

In the 2024 financial year, ESG targets were identified within the individual incentive schemes for the delegated directors, executives, and managers. Specifically, the MBO records of the delegated directors, executives, and managers were analysed to categorise the objectives into the following four main categories:

- Financial (F)
- Environmental (E)
- Governance (G)
- Social (S)

In particular, for the year 2024, about 45% of the goals identified and allocated were categorised strictly as ESG objectives. These objectives relate, for example, to obtaining gender equality certification and maintaining or renewing existing QSA certifications, as well as projects concerning customer satisfaction and customer care, sustainable supply chains, technological innovation, and digital transformation.

Additional ESG objectives of an operational and/or managerial nature relate to climate change mitigation and adaptation, such as increasing the share of electricity generated from renewable sources, energy efficiency projects for the Group's plants, and the development of infrastructure for electric vehicle charging, among others.

From the 2025 financial year onwards, a mechanism for categorising each assigned ESG objective has been implemented in ORACLE HCM. Specifically, the system requires that, when entering each objective, a dropdown menu is used to define the categorisation of all ESG-related objectives (F: Financial; E: Environmental; S: Social; G: Governance).

1.4.2 Declaration of Due Diligence

[ESRS_2, GOV-4, DP 30, 32]

In the context of preparing the Consolidated Sustainability Report, the AGSM AIM Group has initiated a process of gathering and analysing information regarding its practices on the duty of care (hereinafter also referred to as "due diligence"), while acknowledging that these are established operational practices not yet formalised into a specific process.

In accordance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, which inform certain policies of the AGSM AIM Group, the Group's duty of diligence on sustainability issues is summarised in the following mapping of disclosures.

Core elements of due diligence	Corporate practices	Sustainability Report Sections
Embedding due diligence in governance, strategy and business model.	As a foundation for integrating responsibility in respect of social and environmental aspects, the Group adopts various policies. Specifically, the commitment is reflected within the following policies: <ul style="list-style-type: none"> • Sustainability Management Policy • Code of Ethics • Reporting Policy • Anti-Corruption Policy • Environmental protection Policy • Policy for the protection of human rights • Policy for the Protection of Diversity, Equity, Inclusion, and Gender Equality • Policy for the Management of Insider Information 	ESRS 2 GOV-2 ESRS 2 GOV-3 Sections covering governance, strategy, and policies.
Engaging with affected stakeholders in all key steps of the due diligence.	Stakeholder engagement represents an opportunity for dialogue and collaboration for the Group. In particular, to identify and manage relevant aspects for the Group, AGSM AIM employs various methods aimed at maintaining continuous communication with its different stakeholders; including, but not limited to: <ul style="list-style-type: none"> • the Stakeholder Engagement process; • the whistleblowing reporting channel is available to all stakeholders, providing an important means to submit different types of reports. 	Paragraph 1.2.2 "Our engagement with stakeholders". SMB-2 S1-2 S2-2 S3-2 S4-2
Identifying and assessing adverse impacts.	<ul style="list-style-type: none"> • The Group's Double Materiality Analysis process placed particular emphasis on the assessment and prioritisation of impacts, aiming to identify those most relevant to the organisation and its stakeholders. • Verification of compliance with the minimum safeguard guarantees pursuant to EU Regulation 2020/852 (EU Taxonomy). 	Paragraph 1.3 "Relevant sustainability issues".
Taking actions to address those adverse impacts.	<ul style="list-style-type: none"> • The Group undertakes specific actions aimed at mitigating negative impacts and enhancing positive ones, as detailed in the respective sections of this document. • The Group's Reporting Policy includes conducting investigations that may ultimately result in specific corrective or disciplinary actions. 	Paragraph 1.3 "Relevant sustainability issues".
Tracking the effectiveness of these efforts and communicating.	The AGSM AIM Group defines metrics, detailed in the relevant sections of this Consolidated Sustainability Report, to ensure that the actions taken are measurable and effective. The operational procedure "Information Flows to the Supervisory Body" governs the methods and timing for communicating information flows related to the most significant activities of the AGSM AIM Group to the Supervisory Body.	Paragraphs on objectives and channels Paragraph 4.1.2 "Impacts, risks and opportunities management"

Table 5 – Core elements of due diligence

1.4.3 Internal Control and Risk Management System

The AGSM AIM Group defined an **Internal Control and Risk Management System** (hereinafter also "SCI-GR") inspired by national and international good practices in terms of risk management and corporate governance processes, which divides the corporate organisation into the traditional three lines of defence:

- the **first line** of defence is represented by the Business Units (BU) and the operational support departments and functions of the organisation. The representatives of the business units (BU) and the various organisational structures are involved in the risk management process, with particular reference to the activities of identifying, managing, assessing and monitoring risks, including the definition of the most appropriate actions to be implemented to mitigate them;
- the **second line** of defence consists of the Risk Management function, set up within the Finance & Control Department, and the Compliance function, established within the Legal Department, both based at the Parent Company. They are responsible for overseeing the risk and compliance management process and supervising the application of company risk management methodologies (strategic, reporting, operational, compliance), covering both reputational aspects and the so-called ESG areas (Environmental, Social & Governance);
- the **third line** of defence is represented by the Group Internal Audit function, also based at the Parent Company. It is responsible for planning and conducting audits to verify the effective implementation of the regulations and company procedures adopted by the Group, as well as supporting the Parent Company's Board of Directors in assessing the adequacy of the Internal Control and Risk Management System (SCI-GR).

The Enterprise Risk Management Process is adopted at Group level and integrated into the Group's corporate governance system and SCI-GR. This process contributes to defining the strategic and operational choices adopted, supporting management in identifying risks and opportunities and in assessing the potential negative impacts, both from a financial point of view and with reference to the ESG areas relevant to sustainability, that could arise, thus promoting the creation of value and the achievement of sustainable success for the Group and its stakeholders.

By adopting and constantly improving its SCI-GR, the Group aims to develop and implement a solid risk culture that is consistent with the corporate values, strategies and objectives defined by the Board of Directors, promoting the adoption of informed decisions.

The Group Risk Management and ESG Function is assigned the following responsibilities:

- provide high-level support to disseminating the risk culture;
- define the integrated methodologies for the identification and analysis of risks, opportunities and impacts, to ensure an overview of them, homogeneous assessments and their accurate measurement and monitoring;
- ensure the correct application of the enterprise risk, opportunities and impacts management methods;
- constantly discuss with the first level Managers and the heads of BUs in order to ensure adequate enterprise risk control and monitoring activities carried out by them;
- produce periodic information on the enterprise risk management process to the bodies responsible for the SCI-GR and on the outcome of the monitoring activities carried out thanks to periodic reports and KPIs.

Within the scope of the responsibilities described above, the Risk Management Function coordinates and supports management when identifying and assessing risks, opportunities and impacts, supervising the methods defined and adopted to control and monitor enterprise risks, as well as consolidating the results of the risk assessment at Group and individual Business Unit level.

To ensure constant operational supervision over the management of enterprise risks since 2021, the year the new Group was set up, the Risk Management and ESG Function was established at the Parent Company and, subsequently, in 2022, the **Management Risk Committee** (hereinafter the "Management RC") was established, composed of the Chief Executive Officer and a selection of key Heads of the Parent Company's main Departments, and which also sees the participation of the Head of the Internal Audit Function as observer, in addition to the Head of the Risk Management Function in the role of secretary of the Management RC. Due to the topics dealt with, other first level managers, heads of BUs, and any other person inside and/or outside the organisation deemed necessary to further the issues addressed by the RC may also be invited to take part in the work of the Management RC.

The Management Risk Committee has a proactive and advisory role and meets at least every quarter to promote the sharing and in-depth analysis of issues deemed relevant to corporate risk management. Among the main tasks assigned to the Management RC are those of:

- assisting the Chief Executive Officer in evaluations and decisions relating to defining the SCI-GR within its purview;
- expressing opinions on specific aspects concerning the definition of the Risk Appetite Framework (RAF) and the relative tolerance thresholds, the identification of the main corporate risks, opportunities and impacts and the periodic assessments carried out by management ("Risk Self-Assessment");
- analysing and evaluating the results of Risk Self-Assessment activities;
- supporting the Chief Executive Officer in implementing the guidelines defined by the Board of Directors and in designing, creating and managing the SCI-GR;
- proposing to the Chief Executive Officer the corrective measures to be implemented in a timely manner in order to mitigate business risks that exceed the limits stated in the Risk Appetite Statement (RAS);
- approving the annual plan of corporate risk management activities.

The Group Compliance Function is assigned the responsibility of identifying, assessing and classifying, through assessment activities, compliance risks and implementing the related controls (e.g. Italian Legislative Decree 231/2001 on the administrative liability of entities, EU Reg. 2016/679 GDPR on the protection of personal data and privacy, Italian Legislative Decree 50/2016 of the Public Procurement Code, etc.). The following main tasks are added to these:

- monitor changes in legislation related to the assigned areas of responsibility (Legislative Decree no. 231/2001, Anti-corruption, Privacy and Data Protection, Digital Preservation, Environmental regulations, Market Abuse, and any other relevant legislation), reporting any significant updates and highlighting any substantial impacts that new laws and regulations may have on the companies within the Group;
- support Group companies in the activities of preparing and updating the organisation, management and control models adopted pursuant to the Legislative Decree of 8 June 2001, also providing operational support to the appointed supervisory bodies;
- ensure regulatory compliance and observance with the requirements of the current data protection and privacy legislation (EU Reg. 2016/679 GDPR);
- assist top management and organisational units, within their respective areas of responsibility, in defining the appropriate tools and methodologies for the identification, measurement and assessment of compliance risks, providing adequate methodological and operational support in the activities relating to the process of issuing and updating internal implementation rules to prevent the risk of non-compliance (procedures, operating instructions, regulations, etc.);
- oversee the preparation of service contracts entered into by the Parent Company with its Subsidiaries, adhering to the powers of attorney and delegation framework, with subsequent filing in accordance with company procedures;
- promote the Human Resources Department in organising training for employees in the applicable fields;
- verify, with the support of Internal Functions and Subsidiaries, the effectiveness of the procedures adopted to ensure compliance with regulations within its areas of responsibility;
- oversee the management of relations with the Supervisory Authorities and external and internal control bodies.

Internal Auditing is an independent and objective assurance and consulting activity, whose purpose is to improve the organisation's effectiveness and efficiency. This function assists the Board of Directors of the Parent Company in the pursuit of its objectives through a systematic professional approach, that generates added value given that it aims at assessing and improving the control, risk management and corporate governance processes. In particular, the Group Internal Audit Function is assigned the following main tasks:

- draft the Audit Plan proposal according to a risk-based approach to be submitted to the Parent Company's Board of Directors for appropriate evaluation and approval;
- plan and conduct audits on the basis of the approved plan, agreeing with the audited Departments on the improvement actions identified. Periodically submit to the Board of Directors the summary report of the outcome of the audit activities carried out, the status of implementation of the audit plan and the improvement actions identified;
- analyse both administrative and industrial business processes to assess their appropriateness in terms of: effectiveness, i.e. suitability to achieve the objectives of the individual process; efficiency and cost-effectiveness, i.e. conformity of the process to achieve the objectives with a rational use of production factors and at an appropriate cost (Operational Audit);
- design and carry out, also with the support of external third parties, any specific audit activities such as fraud audits, IT audits, etc.
- support the Supervisory Body of the Group companies in overseeing the implementation of compliance programmes (Code of Ethics, Organisation, Management and Control Model according to Italian Legislative Decree 231) and coordinate audit activities in the event of alleged violations of these documents.

The following main tasks are assigned to the Quality, Safety and Environment function:

- define management policies and models, in compliance with the regulations and internal reference guidelines, on the environment, quality and health and safety of workers, monitoring their correct implementation and ensuring adequate information flows to the top of the Group;
- manage and coordinate the execution of environmental, quality and safety audits and certification systems.

The main business risks

The integrated corporate risk management model of the AGSM AIM Group is inspired by the best market practices and the main international reference standards, in particular the Enterprise Risk Management (ERM) - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (CoSO), also declined for ESG dimensions according to the guidelines "Applying ERM to ESG-related Risks" defined by the World Business Council for Sustainable Development (WBCSD). Starting from the 2024 financial year and continuing into 2025, the adopted model has been gradually developed and updated to take into account the regulatory guidelines set out in the European Union Directive 2022/2464 on corporate sustainability reporting (commonly referred to as the CSRD – Corporate Sustainability Reporting Directive).

The Group's ERM model adopted at Group level was developed under the guidance of the Group Risk Management and ESG Function, which is in charge of overseeing and coordinating the process of identifying, assessing and managing corporate risks.

This model is adopted at Group level and makes it possible to provide a representation of the risk profile at both a consolidated level and for each individual BU/relevant company belonging to the Group, while respecting the principle of organisational independence of each subsidiary.

The process of identifying, assessing, and managing business risks (commonly referred to as enterprise risk assessment) is based on the international standard ISO 31000:2018 – Risk Management Guideline. It includes a periodic update cycle that varies depending on the characteristics of the specific risks identified, carried out through both benchmarking activities and the planning and facilitation of meetings and workshops with risk owners, who have sufficient organisational responsibility and expertise to define and implement both the process and operational tasks associated with the potential risk.

Consistently with the COSO ERM - Integrated Framework, once risk events and their causes have been identified and appropriately described, corporate risks are assessed according to the two main dimensions of the probability (or expected frequency) of occurrence and the expected potential impact in both economic-financial and non-financial terms (e.g. environmental, occupational health and safety, compliance, etc.). The level of inherent risk thus estimated is weighted according to the various methods of control and mitigation (i.e. preventive or subsequent controls, manual or automated, etc.) generating the so-called residual risk.

The review and update process of the risk assessment undertaken over the year allowed the AGSM AIM Group to map out its corporate risk portfolio, classified into five uniform categories:

- Strategic
- Financial
- Governance
- Operational
- External events

A total of 111 risks were mapped, surveyed and assessed in the AGSM AIM Group's corporate risk catalogue (Risk Register), classified according to the five categories indicated above and, in turn, divided into 27 macro-risk areas.

A selection of corporate risks is classified as "key risks" and involves both a qualitative-quantitative assessment according to the aforementioned ERM (*Probability x Impact*) model, and an assessment using probabilistic methods that allow the calculation of the relative Value at Risk (VaR). In particular, the key risks that require periodic VaR calculations are those relating to credit exposure to customers and other third-party counterparties, commodity prices (also thanks to using the special application solution ETRM - Energy Trading Risk Management tool), churn-out rates, expected profitability of investments included in the capex plan, liquidity management, and so on.

Additional mathematical and statistical models are used to monitor liquidity risk and manage investments that have an impact on achieving the economic and financial performance in the future years within the business plan. For further details regarding economic and financial risks, please refer to the other sections of the Report on Operations included in this Annual Financial Report of the AGSM AIM Group for the 2024 financial year.

Climate change-related risks are classified in the categories of strategic and/or external risks and are specifically analysed and monitored by the cross-functional working group set up at Group level and coordinated by the Risk Management and ESG Function.

Organisational Management System

The AGSM AIM Group, in pursuing the continuous improvement of the quality of services provided, and in order to limit its own social and environmental impact, adopted the main standards based on ISO standards. Moreover, in consideration of the activities carried out, the AGSM AIM Group is subject to regular checks by the Regional Environmental Protection Agencies of the regions in which the Group operates.

COMPANY	 Quality Management System	 Environmental Management System	 Occupational Health and Safety Management System
AGSM AIM	√	√	√
AGSM AIM Energia	√	-	-
AGSM AIM Smart Solutions	√	√	√
AGSM AIM Calore	√	√	√
AGSM AIM Power	√	√	√
EcoTirana	√	√	√
SIT	√	√	√
SERIT	√	√	√
SIA	√	-	√
Transecos	√	√	-
Valore Ambiente	√	√	-
V-Reti	√	√	√

Table 6 - ISO Management Systems adopted by the AGSM AIM Group

It should be noted that the subsidiary EcoTirana has obtained the **SA 8000:2014** certification (valid until 29 January 2026), which certifies the company's management related to corporate social responsibility.

AGSM AIM Calore also obtained **F-GAS certification** (expiring on 31 January 2027) on the management of fluorinated greenhouse gases, which certifies the ability to manage the installation, repair, maintenance or support, and decommissioning of fixed cooling and air-conditioning equipment and fixed heat pumps with a maximum load size with no limits in kilograms.

In addition, the two subsidiaries of the Group, AGSM AIM Smart Solutions and SIT, obtained **certification from the certifying body (SOA)**, which is mandatory in order to submit bids for public works contracts. This certification proves the company's capacity to carry out, either directly or through subcontractors, public works subject to a starting price, for the submission of bids, of more than Euro 150,000, and it guarantees that the company meets all of the requirements established by current legislation governing public works contracts.

COMPANY	REFERENCE LAW	NO. OF CERTIFICATE	DATE OF ISSUE	DATE OF EXPIRY	CATEGORY	CLASS
AGSM AIM Smart Solutions	Italian Consolidated Act on Tender Procedures	SOA-certificate 8949/57/01	20/02/2024	19/02/2029	OG10	IV
SIT	Italian Consolidated Act on Tender Procedures	SOA-certificate 20494/16/00	25/05/2022	24/05/2027	OG9-OS14	II

Table 7 - SOA certificates obtained by the AGSM AIM Group

1.4.4 Risk management and internal controls relating to the Consolidated Sustainability Report

[ESRs 2 – GOV-5 DP 36a, 36b, 36c, 36d, 36e]

Within the AGSM AIM Group, responsibility for managing the Consolidated Sustainability Reporting process lies with the Risk Management and ESG function, which is part of the Parent Company's Finance & Control Department. This function includes, among others, a dedicated team of resources specifically focused on sustainability reporting & monitoring, called the **ESG Team**, which is responsible for overseeing and coordinating, in collaboration with the Group's various corporate departments and Business Units, the different phases of analysing and identifying relevant issues, collecting data and information to be reported, as well as preparing the Consolidated Sustainability Report.

The Consolidated Sustainability Reporting process is defined and formalised within a specific company procedure that outlines the roles and responsibilities assigned to the various parties involved, as well as the timelines and operational methods to be followed annually for preparing the Consolidated Sustainability Report. The Consolidated Sustainability Reporting process helps ensure adequate oversight of the reporting areas most exposed to the risk of material errors, which are significant for non-financial disclosure.

The data and information contained in the Consolidated Sustainability Report are subject to internal controls to ensure the reliability, accuracy, dependability, and timeliness of the non-financial information provided, for the benefit of the Group's stakeholders.

The Company's **Board of Directors** reviews and approves the Double Materiality Analysis, which includes the list of material sustainability issues, as well as the Consolidated Sustainability Report, taking into due consideration the results achieved and any deviations from the planned objectives.

The **Board of Statutory Auditors** monitors compliance with the provisions set out in Legislative Decree 125/2024 (articles 3, 4, 5, and 8) concerning corporate sustainability reporting, as well as the process of preparing and publishing the sustainability report. It exchanges information with the statutory auditor responsible for certifying the Consolidated Sustainability Report regarding the planning of related activities and the scope of controls applied to the group companies whose data are included in the document.

The **auditing firm** is tasked with conducting a limited review of the Consolidated Sustainability Report document pursuant to articles 3, 4, and 8 of Legislative Decree 125/2024, with the purpose of issuing its attestation report on the compliance of the sustainability reporting in accordance with article 14-bis of Legislative Decree 27 January 2010, no. 39, titled "Implementation of Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, amending Directives 78/660/EEC and 83/349/EEC, and repealing Directive 84/253/EEC" (hereinafter also "Legislative Decree 39/2010"). Specifically, article 14-bis of Legislative Decree 39/2010 requires that this report includes the auditor's conclusions regarding: i) the compliance of the sustainability reporting with the rules set out in the legislative decree adopted pursuant to article 13 of Law 21 February 2024, no. 15 (Delegation to the Government for the implementation of European directives and other acts of the European Union – European Delegation Law 2022-2023), which govern the criteria for its preparation; ii) compliance with the disclosure obligations established by article 8 of Regulation (EU) 2020/852 of the European Parliament and Council, dated 18 June 2020, concerning the reporting of information related to the so-called European Taxonomy of environmentally sustainable activities.

In the central Departments, Business Units, and organisational units, particular figures called **Focal Points** have been appointed to fulfil the role of data owners for the information and data covered by the Consolidated Sustainability Report. The Focal Points are responsible for overseeing the collection, preliminary processing, and provision of non-financial data and information to the ESG Team, taking accountability for the quality and reliability of the data. They also plan appropriate control and verification activities on the data itself and on the related collection and preliminary processing procedures.

The ESG Team is therefore responsible for assessing the adequacy and consistency of the data and information received, including any deviations from the planned objectives and/or performance in previous periods, highlighting the need to explain such deviations and, more generally, to comment on the Group's non-financial performance.

The Finance & Control Department, supported methodologically and operationally by the Risk Management and ESG function, considers the results of the identification and assessment of corporate risks according to the Enterprise Risk Management model adopted at Group level, suitably integrated with insights from the Double Materiality Analysis concerning impacts, risks, and opportunities, and integrates them with periodic intra-annual control and monitoring activities performed on the data and information subject to Consolidated Sustainability Reporting. Moreover, each Department, Business Unit, and organisational unit, within their respective areas of responsibility, is directly involved in the collection, processing, and verification activities concerning the reliability, accuracy, and dependability of the data and information to be reported, committing to adhere to the deadlines set by the company's financial calendar for interim and year-end closings. Similarly, the Control, Compliance, and Internal Audit functions schedule and carry out periodic auditing activities to verify compliance with current regulations, as well as company processes and procedures.

Among the main risks identified relating to the preparation process of the Consolidated Sustainability Reporting are: i) the collection of incorrect and/or incomplete data and/or information, or data that is not properly aggregated and consolidated; ii) the incorrect, delayed, or incomplete definition of the reporting and consolidation perimeter; iii) potential delays in identifying the Focal Points / data owners to be involved in the collection of ESG datapoints / KPIs; iv) failure to meet the deadlines set in the company financial calendar and/or delays in the provision of data and information by the

Focal Points / data owners; v) shortcomings in archiving documentary evidence capable of ensuring traceability of the data and information to be reported; vi) inconsistency between the levels of analysis and the scope of stakeholders potentially to be considered in the Double Materiality Analysis throughout the value chain, compared with the third parties that actually interact with our Group and over which it is possible to exert direct influence; vii) failure and/or delayed updating of company operational procedures, etc.

As part of the continuous improvement of its Internal Control and Risk Management System, including those related to sustainability reporting, the Company has planned to implement specific actions aimed at enhancing the overall quality of sustainability reporting, as well as the reliability, accuracy, and dependability of the reported data and information, and to increase the efficiency and digitalisation of the Consolidated Sustainability Reporting preparation process, in particular:

- periodic updating of company operational procedures related to the Consolidated Sustainability Reporting preparation process, as well as the integration, within the same documents, of the latest best practices adopted and/or referenced in the market regarding sustainability reporting;
- review and update of the mapping of databases and applications used for managing relevant data and information by the central Directorates, Business Units, and organisational units involved in various capacities through their respective Focal Points / data owners;
- development and implementation of a new software system for the digital and, where possible, automated management of the Consolidated Sustainability Reporting, designed to support and facilitate the work carried out by all resources involved in the sustainability reporting process, both annual and interim;
- periodic review of the sustainability reporting methodology in line with recognised best practices;
- periodic updating of the Double Materiality Analysis;
- establishing an increasingly broad and effective stakeholder engagement process.

2. Environmental information

2.1 Climate change – ESRS E1

[ESRS_2, DR SBM-3, DP 48a]

[ESRS_2, IRO-1, DP 20a, 20b, 20c, 21]

Within the Double Materiality Analysis (DMA) conducted in 2024, and with the aim of identifying impacts, risks, and opportunities related to climate change, the Group carried out a thorough mapping of business operations and activities along the upstream and downstream value chain. This process enabled the identification of the most significant areas in terms of total greenhouse gas emissions generated and those potentially exposed to climate-related events. The analysis conducted by the Group did not consider climate scenarios but serves as a structured foundation for more detailed assessments in the future.

The following table lists the impacts, risks, and opportunities related to climate change that the AGSM AIM Group has identified and assessed as significant, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic		Description	IRO	Time horizons	Value Chain Stage		
						Upstream	Own operations	Downstream
E1	Climate mitigation	change	The business activities carried out by the Group generate Scope 1 GHG emissions that have a direct impact on climate change (for example, electricity production at gas-fired thermal power plants, cogeneration of energy and heat for district heating networks).	Current negative impact	Short, Medium and Long Term		✓	
E1	Climate mitigation	change	The business activities carried out by the Group produce Scope 2 GHG emissions that have a direct impact on climate change (for example, purchasing electricity from the market to supply its plants and operational sites).	Current negative impact	Short, Medium and Long Term		✓	
E1	Climate mitigation	change	Scope 3 indirect greenhouse gas emissions arising from extraction, production, and transportation activities within the AGSM AIM Group's supply chain, resulting in an impact on overall atmospheric greenhouse gas concentrations and global warming.	Current negative impact	Short, Medium and Long Term	✓		
E1	Climate mitigation	change	Scope 3 indirect greenhouse gas emissions resulting from the use of goods and services offered by the AGSM AIM Group, impacting the overall concentration of greenhouse gases in the atmosphere and contributing to global warming.	Current negative impact	Short, Medium and Long Term			✓
E1	Climate mitigation	change	Gas leaks in the distribution network (so-called fugitive methane emissions) further exacerbate global temperature increases and the resulting impacts of climate change.	Current negative impact	Short, Medium and Long Term	✓	✓	

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E1	Energy	Energy production operations and maintenance of energy infrastructure, including generation and distribution plants, require the use of fossil fuel energy, resulting in a negative environmental impact.	Current negative impact	Short, Medium and Long Term	✓	✓	
E1	Energy	Environmental management activities, such as waste treatment, require significant energy use. This energy, obtained mainly from fossil sources, negatively impacts the climate and the environment.	Current negative impact	Short, Medium and Long Term		✓	
E1	Energy	Energy-intensive activities upstream in the value chain that involve the use of fossil fuel energy generate a negative environmental impact (e.g. the production of metallic materials for plant construction and the extraction of fossil resources).	Current negative impact	Medium and Long Term	✓		
E1	Energy	The use of energy downstream by end users generates a negative environmental impact (ref. national energy mix).	Current negative impact	Short, Medium and Long Term			✓

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E1	Climate change mitigation	Failure to achieve decarbonisation targets due to both internal organisational factors and external influences (such as changes in the social, political, and economic context).	Risk	Medium and Long Term		✓	
E1	Climate change adaptation	Rising temperatures may pose a significant risk to workers' health and safety, increasing the likelihood of heatstroke and other temperature-related illnesses. This can lead to reduced productivity and increased healthcare costs.	Risk	Short, Medium and Long Term		✓	
E1	Climate change adaptation	Rising temperatures can cause overheating of control units, compromising their efficiency and reliability. Similarly, servers may overheat due to increased temperatures, resulting in breakdowns and disruptions to service. Ultimately, rising temperatures result in increased costs for cooling distribution systems and servers.	Risk	Short, Medium and Long Term		✓	

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E1	Climate change adaptation	The gradual rise in average temperatures (e.g. milder winters) may lead to reduced demand for district heating services (such as lower consumption resulting	Risk	Short, Medium and Long Term		✓	

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
		in a higher proportion of fixed/variable costs, decreased use and efficiency of cogeneration plants, a shorter heating season in winter, and consequently delayed start-up or early shutdown of plants, etc.).					
E1	Climate change mitigation	Failure or inadequate identification and management of risks and opportunities related to climate change and the associated transition process by the Group and its Business Units, as well as throughout the entire value chain.	Risk	Medium and Long Term	✓	✓	✓
E1	Climate change mitigation	The implementation of government restrictions aimed at supporting the transition to a low-carbon economy could cause delays in project management for AGSM AIM, resulting in reduced revenues and increased costs (for example, expenses related to plant upgrades and decommissioning).	Risk	Medium and Long Term		✓	
E1	Climate change mitigation	The European Emissions Trading System (ETS) may impose additional costs on companies that exceed their emission limits, thereby increasing operational expenses.	Risk	Short and medium term		✓	
E1	Energy	The trend towards electrification of consumption may require investments in upgrading, enhancing resilience, and expanding electrical infrastructure, as well as improving or increasing the capacity of electricity distribution networks to manage rising demand. It may also require the development of new technologies and solutions to improve energy efficiency and meet the evolving demands of the market.	Risk	Medium and Long Term	✓		
E1	Energy	The trend towards electrification of consumption may lead to a reduction in investments in gas distribution networks (except for changes in the gas mix with other molecules/sources, such as green hydrogen or biomethane), resulting in lower profitability.	Risk	Medium and Long Term	✓		
E1	Energy	The development of new renewable energy capacity (photovoltaic, wind, hydroelectric) enables meeting the growing demand for sustainable energy, potentially leading to increased revenues and greater market competitiveness.	Opportunity	Short and medium term		✓	
E1	Energy	The increasing focus on energy efficiency and the tightening regulations on energy consumption present a potential growth opportunity for companies investing in innovative solutions to promote energy efficiency for residential customers, apartment blocks, public administrations, and industrial clients, while seeking further expansion in strategic markets.	Opportunity	Short, Medium and Long Term		✓	
E1	Energy	Opportunity linked to the promotion of Renewable Energy Communities (RECs) in the target areas. Achievable through collaboration among the Group's various Business Units, aimed at supporting investments and fostering dialogue with stakeholders, particularly public authorities, by accessing available public incentives.	Opportunity	Medium and Long Term		✓	
E1	Energy	Opportunity to receive incentives for the energy transition, aimed at adapting and optimising infrastructure while reducing initial investment costs and improving project profitability. This opportunity arises from growing market awareness of sustainability and the evolving regulatory framework.	Opportunity	Medium and Long Term		✓	
E1	Energy	Opportunity linked to the introduction of zonal electricity tariffs, which will encourage investment in renewable energy and more sustainable production infrastructure.	Opportunity	Short and medium term		✓	

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E1	Energy	The growing demand for renewable energy positively impacts the sale of electricity and the generation from renewable sources, potentially leading to increased revenues.	Opportunity	Short and medium term		✓	

2.1.1 Strategy

[ESRS_2, DR SBM-3, DP 18, DP 19]

[ESRS_2, DR SBM-3, DP 48f]

[ESRs E1, DR E1-1, DP 14, 17]

[ESRS_E1-4 Targets related to climate change mitigation and adaptation]

[ESRs E1, DR E1-4, DP 33]

To date, the AGSM AIM Group has not yet developed a Transition Plan that ensures the compatibility of its strategy and business model with the transition to a sustainable economy and the decarbonisation commitments undertaken by Italy and Europe.

Within the development and design activities of the Group's individual production plants, both completed and/or under construction, any foreseeable impacts arising from climate change have been analysed to be taken into account from the outset in the final design, thereby reducing the need to subsequently adopt adaptation and mitigation measures for physical climate risks; the analyses carried out are periodically updated to reflect the evolving current and future context over the useful life of each plant.

In the coming years, the Group intends to further strengthen its strategy for adapting to and mitigating climate risks by defining its model for sustainable and resilient growth.

The fight against climate change is a central pillar of the company's strategy and has already been integrated into the guidelines of the 2022-2025 Business and Strategic Plan, as well as, as described in previous chapters, into the Enterprise Risk Management (ERM) system, within which climate-related risks are specifically analysed and managed by the cross-functional working group coordinated by the Risk Management and ESG Function.

During the 2024 financial year, as introduced in the chapter on General Information (see 1.3 RELEVANT SUSTAINABILITY TOPICS), the Group conducted a Double Materiality Analysis, which involved a more in-depth evaluation process of risks related to climate change. This assessment considered not only the climate and environmental risks linked to the company's activities but also took into account the entire value chain. The analysis enabled the identification of the main physical risks, related to both chronic and acute adverse climatic events, as well as transition risks linked to the shift towards a more sustainable economy, providing a comprehensive overview of the implications for the Group's various business lines.

Presented below is a table that details the relevant climate risks found during the analysis, divided into physical and transition risks, with the corresponding time horizons.

Type of Risk	Description	Time horizons
Transition risk	Failure to achieve the decarbonisation targets due to factors both internal to the organisation and external (such as changes in the social, political, and economic context).	Medium and Long Term
Physical risk	The rise in temperatures can pose a significant risk to workers' health and safety, increasing the likelihood of heatstroke and other heat-related illnesses. This may lead to reduced productivity and increased healthcare costs.	Short, Medium and Long Term
Physical risk	The rise in temperatures can cause the overheating of substations, compromising their efficiency and reliability. Similarly, servers can overheat due to rising temperatures, leading to malfunctions and service interruptions. Ultimately, rising temperatures result in increased costs for cooling distribution systems and servers.	Short, Medium and Long Term
Transition risk	The progressive rise in average temperatures (e.g. milder winters) may lead to a reduced demand for district heating services (e.g. lower consumption resulting in a higher incidence of fixed/variable costs, reduced use/effectiveness of cogeneration plants, a shortening of the winter heating season, and consequent delayed start-up / early shutdown of plants, etc.).	Short, Medium and Long Term
Transition risk	Failure or inadequate identification and management of risks and opportunities related to climate change and the associated transition process by the Group and its Business Units, as well as throughout the entire value chain.	Medium and Long Term
Transition risk	The implementation of government restrictions aimed at supporting the transition to a low-carbon economy could cause delays in project management for AGSM AIM, resulting in reduced revenues as well as increased costs (for example, expenses related to the upgrading and decommissioning of plants).	Medium and Long Term
Transition risk	The European Emissions Trading System (ETS) may impose additional costs on companies that exceed their emission limits, thereby increasing operational expenses.	Short, Medium and Long Term

Table 8 - Physical and transition risks related to climate change

At present, the Group has not yet set specific quantitative targets regarding GHG emissions. However, based on the analyses carried out, the Group has identified the following strategic growth drivers.

- Strengthening of the green vocation, with 100% of the investments in the generation from renewable sources, development of the circular economy and extension of the district heating networks.
- Continuous improvement of the commercial offer with the expansion of smart and innovative services.
- Investments in the digitisation of gas and electricity networks.
- Increasing energy customers by 2025.

To support these commitments and to actively contribute to achieving the United Nations Sustainable Development Goal of "Affordable and Clean Energy" (SDG 7), the Group has planned investments in the installation of new nominal capacity that will enable it to reach at least 51% renewable energy sources (totalling 198 MW of installed capacity, excluding cogeneration plants). Specifically, the investments will focus on new photovoltaic and wind power plants, as well as the efficiency improvements of existing hydroelectric facilities. For additional information on the AGSM AIM Group's climate change mitigation investments, please see chapter 1.13 "Operational Outlook" in the Report on Operations.

The Group strives to drive the energy transition by increasing, through its subsidiary AGSM AIM Power, the share of electricity generated from renewable sources and the coverage of the Group's overall energy demand. To confirm this commitment, it is actively involved in the development and management of low-emission production systems, supported by research and innovation of the best available technologies, as well as by offering its customers the most efficient solutions and technologies aimed at energy optimisation and the gradual decarbonisation of consumption, supporting them throughout the ecological transition.

The AGSM AIM Group is committed to making its infrastructures increasingly resilient and able to remain available even in times of climate emergency, ensuring the continuous provision of essential services and helping to mitigate the effects of climate change in the territories where it is present with its assets.

2.1.2 Impacts, risks and opportunities management

[ESRS E1-2 – Policies related to climate change mitigation and adaptation]

[ESRS_E1, DR E1-2, DP 25]

[ESRS_E1-3 – Actions and resources in relation to climate change policies]

[ESRS_E1, DR E1-3, DP 29a, 29b]

The Group sets out principles and guidelines for managing significant impacts, risks, and opportunities related to climate change through its Code of Ethics, Sustainability Management Policy, and Environmental Protection Policy, which define strategies for climate change mitigation and adaptation, energy efficiency, consumption reduction, and the use of renewable energy sources.

These policies, which apply to the Parent Company and to the subsidiaries that fall within the scope of consolidation, highlight AGSM AIM's commitment to enhancing its environmental performance by implementing improvement plans aimed at containing and reducing greenhouse gas emissions, continuously improving the energy efficiency of its premises and facilities, and gradually replacing its fleet with low-emission vehicles.

As part of its own operations, the AGSM AIM Group has also adopted an ISO 14001:2015-certified environmental management system, designed to ensure a set of control measures aimed at continuous improvement and the prevention of accidents and emergency situations. In this context, the Group has defined and adopted operational procedures aimed at regulating roles and responsibilities for mitigating environmental impacts and/or risks to both the environment and the organisation. The Group's key operational procedures include the following:

- PO.0035 – Monitoring of greenhouse gas (CO₂) emissions from cogeneration plants.
- Atmospheric emissions monitoring system, which outlines the functional requirements and specifications of the monitoring system in compliance with Annex VI, Part V, of Legislative Decree 152/2006 (Environmental Consolidation Act).

The AGSM AIM Group promotes climate change mitigation strategies in order to reduce climate-changing emissions that have a direct impact on the quality of the environment in which we live. It pays great attention and makes important investments in developing renewable sources in order to create a more sustainable energy system, less dependent on fossil fuels and, therefore, less polluting. The Group has demonstrated its commitment through several climate change mitigation initiatives, notably including:

- **Green Hydrogen Venice**
- During the 2024–2025 period, thanks to the joint venture "Green Hydrogen Venice" established in partnership with the ENI Group, AGSM AIM Group is committed to building a green hydrogen production plant that will supply around 90 hydrogen buses dedicated to local public transport operated by AVM (Azienda Veneziana della Mobilità S.p.A.).
- Starting from July 2026, the vehicles will be used to provide urban local public transport for the Municipality of Venice - Mestre.
- Green hydrogen will be produced by a water electrolysis plant (so-called PEM electrolyzers – proton exchange membrane) that will use exclusively electricity from renewable sources.
- **Wind power plant at Monte Giogo di Villore**
- The AGSM AIM project involves the installation of seven wind turbines, with a hub height of about 95 meters, on the Mugellano ridge between Monte Giogo di Villore and Monte Giogo di Corella which, with a total power of 29.6 MW, will produce about 80 million kWh per year, saving, every year, 16 million cubic meters of gas and emissions of 40 thousand tonnes of CO₂ (approximately the amount consumed by ten thousand average Italian families in a year). The Monte Giogo di Villore plant will allow the AGSM AIM Group to grow in the renewable sector and is part of the projects envisaged in the Business Plan that allocates 100% of the planned investments in the power generation sector to the construction of new plants from renewable sources.

2.1.3 Metrics and targets

[ESRS_E1, DR E1-5, DP 37, 37a, 37b, 37c, 37c, 38a, 38b, 38c, 38d, 38e, 39, 40, 41, 42, 43]

[ESRS_E1, DR E1-6, DP 44, 47, 48a, 48b, 49a, 49b, 50, 52a, 52b, 53]

Group energy consumption

The Group's **direct energy consumption** refers to the use of fuel for generating electricity and heat in the Group's owned facilities (such as cogeneration and thermoelectric plants), as well as non-renewable primary energy flows not directly linked to energy production (for example, energy used for heating premises and for the Group's vehicles, employed both for staff transport and company activities like waste collection, etc.). **Indirect energy consumption**, i.e. the electricity that the Group purchases and consumes, refers to the Group's production sites and plants. In 2024 as well, the electricity consumed by the Group comes from renewable sources, certified by Guarantees of Origin, except for the electricity used by the Mincio thermoelectric power plant, which the Group owns 50% of but does not have operational control over.

With the aim of reducing its environmental footprint, the Group certified the electricity used for its activities through the purchase of green certificates; these certificates cover a good part of the Group's electricity requirements¹⁶. A total of 28,158 green certificates were purchased.

The AGSM AIM Group's **company fleet** is made up of vehicles of different types and power supplies; this differentiation derives from the heterogeneity of the services offered, which necessarily require the adoption of different technologies. From 2023 onwards, the Group has been able to identify and quantify, within its direct energy consumption, that attributable to company cars provided as fringe benefits.¹⁷

The company vehicle fleet is subject to particular attention by the Group, which is committed to gradually reducing atmospheric emissions deriving from road traffic, through the systematic renewal of the most polluting vehicles and the improved and more efficient management of travel between company premises.

In 2024, energy consumption totals 42,451 MWh (for further details, please refer to Appendix 2 – Performance Indicators). The share of internally consumed energy derived from fossil fuels is 10% of the total, while the share from renewable sources accounts for 90%.

According to the provisions of Commission Delegated Regulation (EU) 2022/1288, all companies within the Group are classified as belonging to the "high climate impact" sectors. The energy intensity is calculated by taking into account the energy consumption and the net revenue value of the Group, resulting in 0.45 MWh per million €. The energy intensity index was calculated based on the revenue value reported in this Annual Financial Report of the AGSM AIM Group for the 2024 financial year.

The total gross electricity generated by the Group's plants in the 2024 financial year amounts to 560,915 MWh, including the energy required to cover the consumption necessary for production operations (auxiliary consumption).

In particular, electricity production from renewable sources¹⁸ in the 2024 financial year amounted to 317,593 MWh, representing 56.6% of the total. Electricity production from cogeneration accounts for 31.8% of the total energy generated during the reporting period. Finally, the electricity produced by the thermoelectric power plant accounts for 11.6% of the total generated.

In the 2024 financial year, the AGSM AIM Group produced 309,328 MWh of thermal energy through its cogeneration plants.

The Group's greenhouse gas emissions

The use of fossil fuels is one of the main contributors to climate change; reducing their use, in synergy with the spread of energy-efficient technologies, is strategic for the reduction of the greenhouse effect, due primarily to climate-altering gases.

The AGSM AIM Group is committed to reducing emissions from its activities, ensuring accurate reporting of its performance in order to guarantee transparency and continuous improvement.

AGSM AIM monitors direct emissions (Scope 1) and indirect emissions (Scope 2 and Scope 3).

Scope 1: Scope 1 emissions – originating from sources controlled by the Group – mainly stem from fuels used in waste treatment plants and facilities for energy and heat production, as well as fuel consumption by the company vehicle fleet and methane used for heating buildings at various sites and for other production-related activities. Scope 1 emissions of the AGSM Group also include GHG emissions from plants subject to the EU-ETS regulation (Directive 2003/87/EC): the proportion of Scope 1 greenhouse gas emissions covered by regulated emission trading systems is 65.3%.

Scope 2: Scope 2 emissions include emissions attributable to electricity purchased from third party suppliers and consumed both in the Group's plants and in the company's offices. These emissions, calculated using the market-based method, are zero thanks to the full coverage of consumption through the purchase of energy from renewable sources certified by Guarantees of Origin.

Scope 3: Starting from the 2023 financial year, the AGSM AIM Group has begun mapping and analysing indirect GHG emissions, which relate to emission sources not under direct company control but are indirectly caused along our value chain by the conduct of business activities. Therefore, this includes emissions upstream – such as emissions caused by the extraction, production and transport of raw materials – and downstream – such as emissions generated by using products sold – of company activities. The objective is to extend reporting and therefore monitoring – progressively – to this area of GHG emissions, thus completing the measurement of its carbon footprint necessary to structure the Group's decarbonisation strategy.

AGSM AIM carried out an analysis of the internal and external relevance of each of the categories defined by the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" (revised edition). In particular, the

¹⁶ The certificates cover 73.5% of the Group's consumption, including the Mincio thermoelectric power plant over which the Group does not exercise operational control. Excluding the latter from the scope, the GOs cover 99% of the needs.

¹⁷ With regard to the consumption of cars as fringe benefits, the Group has estimated that it is responsible for 70% of the fuel used in the vehicle for mixed use.

¹⁸ The value of renewable energy production stated includes energy from the Power Business Unit's plants (316.6 MWh) and a number of smaller facilities managed by other Group entities (1.0 MWh).

significance for the Group of the emission sources described in the categories of Scope 3 was evaluated by taking into account, among others, the following criteria: magnitude of the reference category compared to the total emissions produced; the contribution of the category to the Group's risk exposure (e.g. climate-related, financial and/or regulatory risks); the level of significance of the emission source dictated by the specific characteristics of the sector to which it belongs; and, finally, the accessibility of the data.

At the same time, the Group is also committed to progressively improving the quality of the data used and refining the estimation of emissions.

The Group's total greenhouse gas emissions (Scope 1, Scope 2 market-based, and Scope 3) in 2024 amount to 4,405,640 tonnes of CO₂e.

Specifically, the emissions directly produced by the Group (Scope 1) amount to 192,847 tonnes of CO₂e, representing 4.2% of the Group's total emissions.

Indirect emissions from the electricity consumed by the Group (Scope 2), calculated using the market-based method, amount to 2,114 tonnes of CO₂e. When calculated using the location-based method, applying the national average emission factor for electricity consumption (235.6 g CO₂/kWh), which does not take into account the company's specific procurement decisions, Scope 2 emissions amount to 10,714 tonnes.

Indirect emissions caused by the Group's activities along the value chain (Scope 3) amount to 4,210,679 tonnes of CO₂e, representing 95.8% of the Group's total emissions.

The methodology for calculation adopted is based on the GHG Protocol, applying specific methods for each category, as follows:

- **Category 1 – Purchased Goods and Services:** Emissions were estimated using a spend-based approach, applying specific emission factors for each product category. For the natural gas purchased, a specific method was adopted that takes into account the upstream emissions associated with the production, transport, and storage of the fuel.
- **Category 2 – Capital goods:** A spend-based approach was applied, linking the costs to their respective emission factors.
- **Category 3 – Fuel and energy related activities:** Emissions were calculated based on actual fuel consumption, with emission factors differentiated according to the type of fuel used.
- **Category 5 – Waste generated in operations:** Emissions were estimated by considering the quantities of waste produced and sent to third-party facilities, using specific emission factors for each type of waste and final treatment.
- **Category 6 – Business travel:** Emissions were estimated based on the distances travelled by employees for work purposes, applying different emission factors according to the mode of transport used.
- **Category 7 – Employee commuting:** The calculation was carried out assuming, in the absence of detailed data on the mode of transport, exclusive use of private cars. With regard to the calculation of emissions for EcoTirana, in the absence of data on distances travelled and the mode of transport used, estimates were made based on a previous local study.
- **Category 11 – Use of sold products:** Emissions were estimated based on the volumes of gas and biomethane sold, using specific emission factors associated with the combustion of the product by end users.

For the following categories of indirect emissions, the AGSM AIM Group is committed to continuously monitoring the operating context and the relevance of these emission categories, activating, if deemed necessary, appropriate analysis and data collection activities to enable the estimation and reporting of such emissions starting from the next financial year:

- **Category 4 - Upstream transport and distribution:** Emissions resulting from the transportation and distribution of products purchased by the reporting company during the reference year, between the company's suppliers and its own operations.
- **Category 8 - Upstream leased assets:** Emissions resulting from the operation of assets leased by the company.
- **Category 10 – Processing of sold products:** Emissions resulting from the processing of intermediate products sold by third parties (for example, manufacturers) following their sale by the reporting company.
- **Category 15 – Investments:** Emissions associated with the reporting company's investments during the reference year, excluding those covered under Scope 1 and Scope 2.

Finally, the following categories of emissions were deemed neither applicable nor relevant for the AGSM AIM Group and were therefore not estimated.

- **Category 9 - Downstream transport and distribution:** Emissions resulting from the transport and distribution of products sold by the reporting company during the reference year, between its operations and the final consumer.
- **Category 12 - End of life treatment of sold products:** Emissions resulting from the disposal and treatment of waste from products sold by the reporting company at the end of their life cycle.
- **Category 13 - Downstream leased assets:** Emissions resulting from the operation of company-owned assets leased to third parties.
- **Category 14 – Franchises:** Emissions resulting from franchising activities not included in Scope 1 or Scope 2.

The AGSM AIM Group is nevertheless committed to continuously monitoring the context in which it operates and the relevance of these emission categories, initiating, if deemed necessary, appropriate analysis and data collection activities in order to enhance the reporting of Scope 3 indirect emissions.

2.2 Pollution - ESRS E2

2.2.1 Impacts, risks and opportunities management

[ESRS_2, DR SBM-3, DP 48a]

[ESRS_E2-1 – Policies related to pollution]

[ESRS_E2-2 – Actions and resources related to pollution]

[ESRS_2, DR IRO-1, DP 11a, 11b]

The following table lists the impacts, risks, and opportunities related to pollution that the AGSM AIM Group has identified and assessed as material following its Double Materiality Analysis (DMA) conducted in 2024, as described paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E2	Microplastics	The use of multiple operational vehicles (for example, for plant maintenance and waste collection) in Italy and Albania contributes to the dispersion of microplastics, resulting from the friction of tyres on the ground.	Current negative impact	Short Term		✓	
E2	Microplastics	Contamination of water sources and soil can be caused both by waste collection operations using the Environment BU's transport vehicles and by similar collection and disposal activities carried out by other companies using the waste treatment facilities of Environment BU. The wear of tyres from customers' cars using the Group's charging stations can also cause similar harmful environmental impacts.	Current negative impact	Short, Medium and Long Term	✓	✓	✓
E2	Pollution of air	The combustion of fuel in upstream operations (such as the industrial production of plants, infrastructure, and related components) generates hazardous air pollutants (HAP), criteria air pollutants (CAP), and volatile organic compounds (VOC), which can degrade air quality and further contribute to the environmental impacts of climate change.	Current negative impact	Medium and Long Term	✓		
E2	Pollution of air	The combustion of fuel in electricity generation operations produces hazardous air pollutants (HAP), criteria air pollutants (CAP), and volatile organic compounds (VOC), which can degrade air quality and further contribute to the environmental impacts of climate change.	Current negative impact	Medium and Long Term		✓	

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E2	Pollution of air	Harmful air emissions produced by activities (such as cogeneration heat and electricity) may lead to penalties, increased compliance costs, and capital expenditures for installing new monitoring technologies, resulting in a negative financial impact on the company.	Risk	Short, Medium and Long Term		✓	
E2	Microplastics	Operations of the Heat and Environment BUs may pose a risk of contamination to water sources and soil, potentially leading to sanctions, remediation and restoration costs, and/or reputational damage.	Risk	Short, Medium and Long Term		✓	

[ESRS_E2, DR E2-1, DP 15a, 15c]

[ESRS_2, MDR-P, DP 65 a, 65 b, 65 c, 65 d, 65 e, 65 f]

[ESRS_E2, DR E2-2, DP 19]

[ESRS_E2, DR E2-4, DP 30a, 30b, 30c]

The Group has formalised its commitment to reducing environmental impact, with particular focus on controlling air pollution, through the Environmental Protection Policy which outlines the values and principles guiding the Group's business model aimed at promoting sustainable and responsible behaviours towards the environment, minimising environmental impacts and optimising the use of energy and natural resources.

To ensure effective implementation of the [Environmental Protection Policy](#), the policy is circulated among all the Group's subsidiaries for their awareness and adoption. Moreover, it is shared with all stakeholders to ensure transparency and collaboration with those involved in the value chain, both by publishing on the company's *website* and by sending specific communications (where deemed necessary and appropriate).

As mentioned in paragraph 2.1 "CLIMATE CHANGE – ESRS E1", within its own operations, the AGSM AIM Group has implemented an environmental management system certified to ISO 14001:2015. In this context, the Group has defined and adopted operational procedures aimed at regulating roles and responsibilities for mitigating environmental impacts and/or risks to both the environment and the organisation. The Group's key operational procedures include the following:

- Operational Procedure 0066, which outlines the criteria adopted for conducting environmental controls in cogeneration plants;
- Operational Procedure 0068, which identifies the processes and responsibilities for sampling and analysing air pollutants within cogeneration plants;
- Operational Procedure 0220, which defines the intervention procedures in case the threshold values set for emissions from the Group's cogeneration plants are reached or exceeded.

In accordance with the adopted operational procedures and in compliance with the Integrated Environmental Permits (IEPs), the Group implements strict measures to control atmospheric emissions. These measures include ongoing monitoring of emissions, the implementation of advanced filtration and purification systems, and the adoption of operational practices aimed at minimising the environmental impact of industrial activities.

To prevent negative impacts related to pollutants emitted during processes, the Group has adopted dedicated advanced filtration and purification technologies. These systems are installed in the cogeneration plants, the biomethane production facility, and the waste treatment plants.

Through the monitoring and control plans (MCP) defined by the adopted and implemented operational procedures, the Group periodically measures pollutants and production process parameters in accordance with the sector's Best Available Techniques (BAT), as outlined in Commission Implementing Decision (EU) 2017/1442 of 31 July 2017. In particular, the PMCs establish:

- self-monitoring carried out by the plant operator;
- inspections by the competent authority, with costs borne by the operator;
- Submission of data necessary to verify the plant's compliance with the conditions set out in the Integrated Environmental Authorisation (IEA).

2.2.2 Metrics and targets

[ESRS_E2, DR E2-3, DP 23a]

[ESRS_E2, DR E2-4, DP 28a, 28b]

[ESRS_E2, DR E2-3, DP 28b]

As mentioned earlier, the Group has monitoring systems in place to track pollutant emissions from its facilities. Specifically, the substances subject to monitoring are:

- Nitrogen oxides (NO₂X).
- Carbon Monoxide (CO).
- Oxygen (O₂).
- Sulfur dioxide.
- Dust.

In the reporting year, no instances of exceeding the permitted emission thresholds indicated in Annex II of Regulation (EC) No 166/2006 were recorded. With regard to the potential dispersion of microplastics resulting from the friction between the tyres of its operational vehicles (such as those used for waste collection) and the ground, the AGSM AIM Group is committed to monitoring and reporting the volumes of microplastics generated starting from the next reporting period.

As part of its Net-zero Strategy development process, the AGSM AIM Group will define both final and intermediate decarbonisation targets in terms of CO₂e, also taking into account the aforementioned pollutant gas emissions.

2.3 Water and marine resources – ESRS E3

2.3.1 Impacts, risks and opportunities management

[ESRS_2, DR SBM-3, DP 48a]

[ESRS_2, DR IRO-1, DP 8a, 8b]

The following table lists the impacts, risks, and opportunities related to water and marine resources that the AGSM AIM Group has identified and assessed as material, following its Double Materiality Assessment (DMA) carried out in 2024, as described in Section 1.3: Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E3	Water withdrawals	The concentrated extraction of water from specific local sources for high water-use industrial operations (both internal production processes and those of suppliers along the supply chain) can have negative impacts on water availability, water quality, and aquatic habitats.	Potential negative impact	Short and medium term	✓	✓	

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E3	Water withdrawals	Unavailability of water (from rainfall, rivers, etc.) due to external natural events (acute or chronic, e.g. prolonged drought periods) required for the operation of all hydroelectric and thermoelectric plants within the Power Business Unit (e.g. the Mincio Thermoelectric Power Plant – CTE). Negative impacts are also possible along the supply chain.	Risk	Short, Medium and Long Term	✓	✓	
E3	Water withdrawals	Regulations imposed by the competent basin authorities, including mandatory dam releases and run-of-river hydroelectric power plant flows, may limit water availability for operations, increasing the risk of production interruptions and additional costs for water resource management.	Risk	Short, Medium and Long Term		✓	
E3	Water consumption	Water scarcity, along with the resulting increase in costs and the complexity of regulatory requirements regarding water usage, can have operational, regulatory, reputational, and financial consequences.	Risk	Short, Medium and Long Term		✓	
E3	Water discharges	Risk of regulatory penalties/fines for non-compliance with discharge limits and quality standards.	Risk	Short, Medium and Long Term		✓	

[ESRS_E3-1 – Policies related to water and marine resources]

[ESRS_E3, DR E3-1, DP 12a, 12b, 12c, 13, 14]

[ESRS_E3-2 – Actions and resources related to water and marine resources]

[ESRS_E3, DR E3-2, DP 19]

As outlined in the [Environmental Protection Policy](#), the AGSM AIM Group is committed to using water resources consciously and sustainably, particularly in areas subject to water stress, across all production processes and throughout its value chain. Water is primarily withdrawn for hydroelectric and thermoelectric power generation, as well as for cooling thermal cycles. Water supply at the Group's facilities is sourced from surface water, groundwater, and municipal networks. Specifically, for hydroelectric power generation, water is primarily drawn from rivers and reservoirs, while respecting the guaranteed minimum environmental flow.

In line with this commitment and as outlined in the previous paragraph, the AGSM AIM Group has implemented an environmental management system certified to ISO 14001:2015. This system includes detailed operating procedures that define roles and responsibilities for the identification and control of environmental parameters. Specifically, regarding the management of impacts, risks, and opportunities related to water resources, Operating Procedure 0066 establishes a system for monitoring water emissions. This system specifically focuses on discharges, distinguishing between those from production activities sent to the public sewer network and those released into surface water bodies.

In accordance with the adopted operating procedures and integrated environmental permits (IEPs), the AGSM AIM Group therefore implements strict measures to control pollutant emissions into water. On an annual basis, the Group reports, for the plants subject to this obligation, any instances of water emissions exceeding the thresholds set by Regulation (EC) No. 166/2006.

For the assessment of areas subject to water stress, the Aqueduct Water Risk Atlas+ tool¹⁹ of the World Resources Institute was taken as a reference. The analysis revealed that only two of the AGSM AIM Group's cogeneration plants, whose water consumption accounts for 3.5% of the Group's total usage, are located in a medium water stress area.

As previously mentioned, to prevent the negative impacts of pollutants emitted during processes, the Group has implemented specific monitoring systems. Based on the activities carried out, various parameters are monitored, including total nitrogen and phosphorus, arsenic, copper, zinc, mercury, total organic carbon, and chlorides, as specified in Annex II of Regulation (EC) No. 166/2006.

As part of the ongoing update of its corporate policies, the AGSM AIM Group is considering integrating its Environmental Protection Policy with the topics outlined in ESRS E1-3. In this regard, it should be noted that, to date, the AGSM AIM Group has not adopted policies or practices specifically related to the sustainable management of ocean and marine resources, as this topic is not material to the Group's business activities.

2.3.2 Metrics and targets

[ESRS_E3, DR E3-3, DP 23a]

[ESRS_E3, DR E3-4, DP 28a, 28c, 28d, 28e, 29]

At present, the Group has not yet established specific measurable targets related to water resources.

In the 2024 financial year, the Group's water withdrawals increased by approximately 26% compared to the previous reporting period, totalling 5,486,234,782 m³, due to the rise in hydroelectric power production. The latter increased by approximately 76.8% compared to the 2023 financial year, and overall, hydroelectric power plants account for 99.8% of the Group's total water withdrawals. Water abstracted for hydroelectric plants is not consumed but used in the production process and then released without alteration.

For effluents, as for withdrawal, there was a 26% increase compared to the previous year. The total water discharge at 31 December 2024 corresponds to 5,486,179,063 m³.

The water consumed for carrying out its activities amounts to 37,719 m³. The proportion of water consumption relative to the volume withdrawn is 0.001%, thanks to the good practices adopted by the AGSM AIM Group. During the 2024 financial year, the Group consumed 1,316 m³ of water in areas identified as experiencing medium water stress.

¹⁹ <https://www.wri.org/aqueduct>

Water intensity, calculated as the ratio between water consumption and net revenues, amounts to 0.02m³/mln€.

	2024
Total water consumption (m³)	37,719
Total water consumption in water-stressed areas (m³)	1,316
Total water consumption in high water-stress areas (m³)	0
Total volume of water stored and related variations (m³)	0
Water intensity (m³ per net revenue)	0.02

Table 9 - Water consumption of the AGSM AIM Group

2.4 Biodiversity and ecosystems – ESRS E4

2.4.1 Impacts, risks and opportunities management

[ESRS_2, DR SBM-3, DP 16a, 16b, 16c]

[ESRS_2, DR SBM-3, DP 48a]

[ESRS_2, DR IRO-1, DP 17, 19]

[ESRS_E4-2 — Policies related to biodiversity and ecosystems]

[ESRS_E4, DR E4-2, DP 23a, 23b, 23c, 23d, 23e, 23f]

The following table lists the impacts, risks, and opportunities related to biodiversity and ecosystems that the AGSM AIM Group identified and assessed as material as a result of its Double Materiality Analysis (DMA) conducted in 2024, as described in Section 1.3 on Material Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E4	Direct impact drivers of biodiversity loss	Reduction in average biodiversity levels in surrounding areas where production activities take place or during the development of construction sites for new plants, due to direct alterations to soil and land.	Potential negative impact	Medium and Long Term	✓	✓	
E4	Direct impact drivers of biodiversity loss	Upstream value chain activities (such as the extraction, processing, and storage of minerals like quartz) can contaminate and, in the long term, destroy ecosystems and the species that inhabit them.	Potential negative impact	Medium and Long Term	✓		

Results of the financial materiality assessment

[ESRS_E4, DR E4-2, DP 24]

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E4	Direct impact drivers of biodiversity loss	Local land use laws and community opposition (e.g. NIMBY and NIMTO phenomena) to the development of wind and solar plants, due to concerns about land use or other environmental impacts (e.g. local water resources, soil, air), may result in higher costs, lost revenues, or project delays.	Risk	Short, Medium and Long Term	✓	✓	
E4	Direct impact drivers of biodiversity loss	Risk of biodiversity loss due to intensive natural resource extraction, potentially leading to operational constraints and impacts on the continuity of supply to AGSM AIM.	Risk	Short, Medium and Long Term		✓	

Aware that the activities carried out could potentially have impacts on ecosystems and biodiversity, the AGSM AIM Group is committed to safeguarding the natural value and biodiversity of the territories in which it operates and affected by the presence of its plants by implementing appropriate environmental safeguards and measures.

Through the [Environmental Protection Policy](#), the Group has established principles and guidelines for environmental decision-making, including aspects related to the protection of biodiversity and ecosystems. In line with the Sustainable Development Goals, the European Green Deal, and the EU Biodiversity Strategy to 2030, the AGSM AIM Group is committed to:

- promote and implement environmental improvement plans through actions aimed at protecting biodiversity-rich areas and fostering a culture of biodiversity;
- safeguard the conservation of biodiversity and ecosystems, particularly in the areas where it operates;
- respect the principle of “do no significant harm” (DNSH) to the environment in the conduct of its business activities;
- monitor and mitigate any potential impacts of activities on biodiversity;
- collaborate with associations and local communities on initiatives and projects aimed at raising stakeholder awareness about the importance of protecting the environment, ecosystems, and biodiversity.

Additional policies for the protection of biodiversity and ecosystems in the areas where the Group operates, as well as policies aimed at deforestation, will be adopted during the next fiscal year.

While performing its activities, the Group adopts a business model that is attentive to sustainable and environmentally responsible behaviour. It pays particular attention to the flora and fauna of the places where it operates, undertaking to carry out its activities by taking into account the needs of the surrounding ecosystem and to promptly correct any negative impacts that may occur as part of its business activities.

Before implementing new projects and maintenance activities of importance, which could give rise to environmental impacts in particular areas, the AGSM AIM Group submits the intervention to more specialised assessments for the safeguard of the area affected by the service.

The assessment activity takes place during the construction of the wind plants of the Group, for which specific monitoring was carried out before construction in order to assess the environmental impact and introduce measures to mitigate the impacts. Among the Group's wind plants, the case of the wind farm in Rivoli Veronese (VR) is exemplary. It was installed in 2013 on a Site of Community Importance (SIC) and Special Protection Zone (ZPS) of particular landscape and naturalistic value. This wind farm is the only production site within the Group located in areas sensitive from a biodiversity perspective. In collaboration with Legambiente (Baldo-Garda association "Il tasso"), the Parent Company was responsible for the restoration of the areas affected by earthworks (construction of the yards and access roads), carrying out the morphological recomposition of the land following construction activities and reconstituting the original turf on site. The protected species of the site were transferred and kept in another location during the construction works (Centre for forestry biodiversity of Peri - VR), in order to be replanted after the works. This measure made it possible to preserve rare species, even at risk of extinction.

Also when designing the photovoltaic plants in the municipality of Trissino (VI), the Group paid special attention to respecting biodiversity. In the project to construct the two plants, a hedge was planted along the perimeter fence with an ecosystemic role, choosing native plant species that produce edible fruits capable of attracting wildlife and with an aesthetic relevance due to their flowers and berries. Along this fence, at approximately every 50 metres, there are openings in the lower part of the net in order to allow small and medium-sized wildlife to pass. The supporting structures of the photovoltaic modules also allow wildlife to pass through the plant area.

In order to expand the habitat for the species of fauna present in the plant area, a group of coarse rocks has been created, providing shelter for reptiles and a suitable resting place for the wall lizard, and a meadow clearing with herbaceous stands of wild plants useful mainly to the *Hierophis viridiflavus* (green whip snake, a non-poisonous snake).

For the waste production and management activities carried out by the Environment BU company, there is no specific environmental hazard as the site areas are not classified as protected.

With reference to the natural gas and electricity distribution service, there is no significant impact on biodiversity and the utmost attention is paid to the use of materials and equipment for network management aimed at guaranteeing the minimum environmental impact.

2.4.2 Metrics and targets

Although no quantitative targets have been identified at present, the AGSM AIM Group is continuously committed to implementing actions aimed at protecting biodiversity and ecosystems through risk and impact prevention and minimisation.

2.5 Circular economy – ESRS E5

2.5.1 Impacts, risks and opportunities management

[ESRS_2, DR SBM-3 DP 48a]

[ESRS_2, DR IRO-1, DP 11a, 11b]

The following table lists the impacts, risks, and opportunities related to the circular economy that the AGSM AIM Group has identified and assessed as material following its Double Materiality Analysis (DMA) conducted in 2024, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E5	Resources inflows, including resource use	Shortages of critical materials (lithium, cobalt, nickel, and platinum), often concentrated in countries subject to geopolitical tensions (e.g., political and economic instability in countries involved in the processing of critical materials/technology production) and trade issues (e.g., tariffs), may lead to supply chain disruptions and price increases or volatility for equipment, negatively impacting the development of renewable energy technologies.	Risk	Short, Medium and Long Term	✓		
E5	Waste	Market opportunities arising from the increasing awareness of the circular economy among consumers, businesses, and regulators.	Opportunity	Medium and Long Term		✓	
E5	Waste	Inadequate management of the end-of-life phase of plants (e.g., photovoltaic systems, wind turbines, etc.) and the disposal of their components may result in penalties due to non-compliance with applicable regulations, as well as reputational damage.	Risk	Medium and Long Term	✓	✓	

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
E5	Resources inflows, including resource use	Consumption of resources to support business activities, thereby contributing to environmental exploitation and resource depletion.	Current negative impact	Short Term	✓		
E5	Resource outflows related to products and services	The treatment of certain waste categories can enable the recovery of secondary raw materials, which may be used in new production processes, thereby reducing the need to extract virgin natural resources.	Current positive impact	Medium and Long Term			✓
E5	Waste	Wind and photovoltaic plants, once decommissioned, generate waste which, if not managed responsibly, can cause negative environmental impacts.	Potential negative impact	Short, Medium and Long Term	✓	✓	

[ESRS_E5-1 — Policies related to resource use and circular economy]

[ESRS_E5, DR E5-1, DP 15a, 15b]

[ESRS_2, MDR-P, DP 65 a, 65 b, 65 c, 65 d, 65 e, 65 f]

The Group's Environmental Protection Policy sets principles and guidelines for environmental decision-making, including aspects related to proper resource management and the development of a circular economy, through the Environmental, which defines strategies to mitigate impacts on the environment and the territories where the Group operates. To ensure its effective implementation, the Policy is distributed to all the Group's subsidiaries so that they may acknowledge and adopt it. Furthermore, it is communicated to all stakeholders, with a view to transparency and collaboration with actors along the Value Chain, through targeted communications and publication on the company website.

The AGSM AIM Group adopts a production and consumption model aimed at the efficient use of resources, in line with the principles of the circular economy.

The AGSM AIM Group's commitment to reducing environmental impacts is also reflected in the sustainable and efficient management of energy, water and other natural resources consumed. AGSM AIM pays particular attention to optimising the use of natural resources by limiting wastage and minimising the generation of waste while performing its operational activities.

The Group actively contributes to achieving the Sustainable Development Goal on "Responsible consumption and production" (SDG no. 12) by promoting initiatives to encourage waste reduction and the collection, reuse and recycling of materials and products.

The management of waste produced within the AGSM AIM Group is carried out in compliance with Operational Procedure PO.0120 "Management of Produced Waste," as established by the environmental management system adopted by the Group pursuant to UNI ISO 14001:2015 regulations. This procedure identifies organisational roles and responsibilities regarding the direct management of internal waste.

The classification of waste produced by the AGSM AIM Group is carried out by the Parent Company's Quality, Safety and Environment function in agreement with the Waste Management Contact and included in the "Waste Classification" document approved by the Company Director or Legal Representative, according to the elements that influence and determine the classification, i.e.:

- process from which the waste originates (e.g. construction and demolition, packaging, disposal of obsolete equipment);
- specific description of the waste (e.g. soil, plastic packaging, monitor);
- assessment of the hazardous nature of the waste through knowledge of the substances that may have contaminated it (product/safety data sheets) and/or chemical analysis and/or from bibliographical-legislative sources (e.g. waste oil, monitors, etc.) and/or laboratory report.

After classification, the waste produced by the AGSM AIM Group is delivered to the Group's temporary warehouses and then handed over to authorised third parties. If they do not belong to the AGSM AIM Group, authorised third parties (e.g. brokers, carriers and destination plants) are identified during the tender process.

Sorted waste collection systems are installed at all the Group's premises in order to increase and promote the subsequent recycling of materials.

[ESRS_E5-2 — Actions and resources in relation to resource use and circular economy]

[ESRS_E5, DR E5-2, DP 19]

In 2024, the AGSM AIM Group completed the construction of the anaerobic digestion and biomethane production plant at the Ca' del Bue environmental facility in Verona, intended for injection into the national distribution network. This project is able to contribute concretely to achieving the UN Global Development Goal on "Responsible consumption and production" (SDG 12).

The Ca' del Bue plant is built and organised on a process of anaerobic digestion of organic urban waste from sorted waste collection, market waste, lignocellulosic waste and agro-industrial waste for the production of biomethane and dry digestate for subsequent delivery to a third-party treatment plant to produce quality compost and soil. Once fully operational, the plant will enable the treatment of 40,000 tonnes per year of the Organic Fraction of Municipal Waste (OFMW) through the anaerobic digestion process. The biodigester will be able to produce three million standard cubic meters (Scm) per year of biomethane that will be used to supply local public transport fleets.

To convert biogas into biomethane with a quality equivalent to conventional fossil natural gas, it must undergo a series of pre-treatments (dehumidification, desulphurisation, etc.) and a carbon dioxide removal process, known as upgrading, using membrane technology. The upgrading system for purifying biogas produced by anaerobic digestion is a three-stage membrane type, with a nominal biogas flow rate of 800 Nm³/h.

Thermal flow meters are used to monitor the flow of biogas and biomethane at various stages of the process. These devices measure the mass of the flowing biogas without any moving parts and are unaffected by pressure or temperature variations during the process.

The biomethane output from the upgrading plant complies with the stringent technical specifications set out in the UNI TS 11567:2019 standard, "Guidelines for the qualification of economic operators in the biomethane production chain," which establishes a qualification scheme for traceability and mass balance management.

The digestate coming out of the anaerobic digestion process (about 15,000 tonnes per year) represents a biological organic soil conditioner, ideal to be transformed into high quality compost for local farms, reusable on the territory according to the latest European Community regulations.

At the Ca' del Bue site, the organic waste collected from the surrounding area is received and pretreated to separate non-organic materials. Anaerobic digestion then takes place, followed by biogas extraction and purification for biomethane production. The digestate is subsequently dried and transferred to third-party facilities for compost production.

The biodigester represents the driving force of a virtuous cycle that will deliver significant benefits for the environment and local area, including a reduction in landfill disposal, the recovery of organic-rich soil amendments to be reintroduced into the biological cycle (circular economy), and energy recovery through the production of fully renewable biomethane.

Pursuant to the Italian Ministerial Decree of 14 November 2019 that established the national system for certifying the sustainability of biofuels and bioliquids, also from waste, AGSM AIM has obtained, with regard to the production of biomethane from the Ca' del Bue plant, the sustainability certification for biofuels and bioliquids that allows the traceability and sustainability of bioliquids and biofuels to be demonstrated, tracing the entire process from raw materials to intermediate products up to the "end of waste" finished product, i.e. biomethane.

The biodigester represents the first piece of a larger project that the AGSM AIM Group intends to carry out thanks, among other things, to a civil sewage sludge treatment plant, the revamping of an undifferentiated mechanical urban waste treatment plant to further reduce the percentage of waste delivered to landfills, and an advanced multi-material sorting plant (paper, plastic, cans), in order to create a waste management hub that maximises the recovery of material and energy with a view to a circular economy, while reducing landfilling.

During the 2024 financial year, the biomethane produced at the Ca' del Bue plant and injected into the grid amounted to 227,837 standard cubic metres (sm³).

2.5.2 Metrics and targets

[ESRS_E5-3 - Policies related to resource use and circular economy]

[ESRS_E5, DR E5-3, DP 24]

[ESRS_E5, DR E5-4, DP 30]

[ESRS_E5-5 – Outbound resource flows]

[ESRS_E5, DR E5-5, DP 37a, 37b]

The AGSM AIM Group is committed to preventing waste generation in accordance with the waste management hierarchy established by current legislation.

The waste produced by the Group mainly derives from maintaining and operating electricity infrastructure and production facilities. Waste generation is strongly influenced by factors not directly related to routine operations, such as extraordinary maintenance activities on the Group's plants or premises, as well as external factors like regulatory approvals or changes in legislation. These factors make it difficult to set quantitative targets for waste reduction; nonetheless, the Group is committed to implementing initiatives aimed at reducing waste and promoting the collection, reuse, and recycling of materials and products.

During the reporting period, the AGSM AIM Group's main inbound resources consisted of purchased and resold energy resources. Specifically, the purchase of 4,255 GWh of electricity refers to energy bought through sourcing for sale to end customers and wholesale. Gas purchases amounting to 583 million standard cubic metres relate to gas acquired through sourcing for resale to end customers and wholesale, as well as for the requirements of electricity generation plants.

Additionally, the various business units routinely purchase goods necessary for the execution of operational activities and both ordinary and extraordinary maintenance of the Group's owned assets. The cost of such goods represents a residual value compared to the expenditure incurred for energy resources, as indicated in the Notes to the Financial Statements (see section 1.3.1 "Financial Management") of this Financial Report.

Below are the main categories of products purchased by the Group:

- **technical materials and components**, including but not limited to electrical materials, transformers, pipes, and cables, used in carrying out production activities;
- **materials for works, installations and maintenance** aimed at ordinary or extraordinary maintenance activities of the Group's assets;
- **consumables** for office and administrative operations.

During 2024, specific project activities were initiated aimed at the evolution of the company's information systems and the revision of procurement processes. Once completed, these will enable the availability of comprehensive and accurate reports on inbound flows of purchased physical goods, albeit residual compared to the overall operating costs incurred by the Group.

For details regarding the inbound volumes of waste collected and treated, please refer to paragraph 1.2.1.5 “Environmental Services”. For detailed information on water consumption, please refer to chapter 2.3 “Water and Marine Resources – ESRS E3”.

In 2024, 31,749 tonnes of waste were produced. Waste generated from the Group’s production activities showed an increasing trend of 9.7% compared to the previous financial year, mainly due to the increased biomethane production at the Ca’ del Bue plant, which accounted for 22.3% of the Group’s total waste during the reporting period.

The analysis of waste produced within the Group revealed that the overall waste generation consists of only 1.3% hazardous waste, including but not limited to, batteries, lamps, mineral oils, and electrical and electronic waste.

During the 2024 financial year, over 5,000 tonnes of waste were sent for recovery and recycling.

	2024	2023	2022
Total waste generated (tonnes)	31,749	28,930	11,949
hazardous waste	414	307	367
non-hazardous waste	31,335	28,623	11,582
recyclable waste	0	0	0
Waste diverted from disposal (tonnes)	5,371	15,355	1,713
hazardous waste diverted from disposal	407	281	226
non-hazardous waste diverted from disposal	4,964	15,073	1,487
Waste directed to disposal (tonnes)	26,377	13,575	8,715
hazardous waste directed to disposal	7	26	141
non-hazardous waste directed to disposal	26,370	13,549	8,573
Non-recycled waste rate	83.1%	46.9%	72.9%

Table 10 - Waste Generated by the AGSM AIM Group

2.6 European Taxonomy Disclosure

Since January 2022, organisations required to publish a consolidated non-financial statement under Legislative Decree 254/2016 and subsequently within the consolidated sustainability reporting included in the report on operations accompanying the consolidated financial statements pursuant to Legislative Decree 125/2024, must publicly disclose the proportion of turnover, capital expenditure, and operating expenses that qualify as environmentally sustainable under current European legislation.

Regulation (EU) 2020/852 introduced the Taxonomy for environmentally sustainable economic activities into the European regulatory framework (EU Taxonomy), which requires the classification of activities that can be considered sustainable according to their alignment with the environmental objectives defined by the European Union. It has the ambitious goal of supporting the EU's economic activities on the path to adopting a common language on ESG and promoting the decarbonisation of the European economy by 2050.

With respect to the three sustainability pillars covered by the acronym "ESG" (Environmental, Social, Governance), the European Taxonomy initially focused on environmental aspects, defining six environmental objectives with reference to which it is necessary to assess whether an activity is eligible based on the criteria defined by the legislation:

1. Climate change mitigation (CCM);
2. Climate change adaptation (CCA);
3. Sustainable Use and Protection of Water and Marine Resources (WTR);
4. Transition to a circular economy (CE);
5. Pollution prevention and control (PPC);
6. Protection and restoration of biodiversity and ecosystems (BIO).

In accordance with EU Regulation 2020/852, the European Commission is required to adopt delegated acts aimed at supplementing the regulation itself, detailing the technical screening criteria and the methods of compliance with the Do No Significant Harm (DNSH) principle that make it possible to assess under what conditions each economic activity makes a substantial contribution to at least one of the six identified environmental goals.

An economic activity is defined as environmentally sustainable if it:

- i) contributes substantially to achieving at least one of the six environmental objectives;
- ii) does not cause significant damage to any of the remaining environmental objectives (Do No Significant Harm - DNSH);
- iii) is carried out in compliance with the minimum safeguards (based on international guidelines for the respect of human rights);
- iv) complies with the technical screening criteria set by the European Commission.

EU Delegated Regulation 2021/2139 "Climate Delegated Act" came into force in 2021. It defines the technical criteria for the first two goals (mitigation and climate change adaptation), supplemented on 15 July 2022 by the Complementary Delegated Act (EU Delegated Regulation 2022/1214), which includes the production of energy from gas and nuclear in the Taxonomy.

Subsequently, on 27 June 2023, the following were published in the Official Gazette: (i) EU Delegated Regulation 2023/3850 which, by amending the Climate Delegated Act, provides for the expansion of those economic activities that contribute to mitigating and adapting to climate change, in addition to the updates of the technical assessment criteria for existing economic activities; (ii) EU Delegated Regulation 2023/3851 (Taxonomy Environmental Delegated Act) which defines the technical assessment criteria to determine the economic activities that contribute significantly to one or more of the other four environmental objectives not covered by the previous regulatory phase and provided for by EU Regulation 2020/852.

Pursuant to the provisions of Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation - TR), the organisations subject to the Non-Financial Reporting Directive (NFRD) and, subsequently, the new Corporate Sustainability Reporting Directive (CSRD) are required to disclose information on alignment with the Taxonomy using some indicators: revenue, capital expenditure and operating expenditure. In particular, non-financial companies must publish information on:

- share of revenue from products or services associated with economic activities aligned with the Taxonomy (Revenue);
- share of capital expenditure (CapEx);
- share of operating expenditure (OpEx) related to activities or processes associated with economic activities aligned with the Taxonomy.

The **European Taxonomy** of sustainable economic activities is a guide:

- for **companies**, in order to assess their activities, define corporate policies with a view to environmental sustainability and report to stakeholders their performance in a complete and comparable manner;
- for **investors**, in order to integrate sustainability issues into investment policies and enable a clear understanding of the environmental impact of economic activities in which they invest or could invest;
- for **public institutions**, which can use the Taxonomy to define and improve their ecological transition policies.

The objective of the Taxonomy Regulation is to increase market transparency, i.e. increase the quantity, quality and comparability of information on sustainability issues regarding companies, operators and financial products. In addition, it allows the examination of each operating line and production facility - in the context of investment analysis or assessment of the company's position with respect to competitors - through performance indicators (KPIs).

In the sectors with the greatest climate impact (e.g. energy, construction and transport), this information makes it possible to select the companies that have undertaken ecological transition processes. Finally, thanks to the availability of data on the alignment of business plans with the Taxonomy, investors can make their engagement actions more effective, measuring their effects over time and strengthening their dialogue with the investees.

The adoption of the Taxonomy is relevant since it allows the following objectives to be pursued:

- provide adequate and consistent indications to companies and investors with regard to which economic activities can be considered environmentally sustainable;
- be an enabling factor to achieve the objectives set by the Green Deal, as a strategy for transforming climate issues and environmental challenges into growth opportunities in every economic sector;
- limit the risk of greenwashing;
- help companies plan their transition to business models in line with a low-carbon economy.

In February 2022, Platform on Sustainable Finance, a group of experts that assists the European Commission in developing sustainable finance policies, presented the **Final Report on Social Taxonomy** with the aim of extending the concept of sustainable investment within the European Union. The Taxonomy of Sustainable Economic Activities is therefore accompanied by a Social Taxonomy that has three objectives: to promote decent work, adequate standards of living and inclusive and sustainable communities.

2.6.1 Implementation process

In line with the provisions of the EU Taxonomy Regulation 2020/85 and following an in-depth assessment, the AGSM AIM Group decided to engage on various fronts to contribute to the achievement of the following objectives in scope among those currently standardised by the Taxonomy:

1. Climate change mitigation;
2. The sustainable use and protection of water and marine resources.

During the 2024 financial year, the AGSM AIM Group continued the cross-functional project involving all key departments of the Parent Company and the companies included within the scope of consolidated sustainability reporting. The aim was to identify, with reference to the aforementioned Taxonomy objectives, the Group's activities as eligible and aligned, eligible but not aligned, or non-eligible. In addition, to ensure an adequate process for the extraction, analysis, processing and aggregation of administrative and accounting data, specific software tools currently used by the Finance & Control Department have been developed and/or integrated.

Eligible Activities

Aligned eligible activities: activities carried out by the AGSM AIM Group explicitly included in the Delegated Acts that meet the technical screening criteria, comply with the DNSH principle and the minimum safeguards.

Non-aligned eligible activities: activities carried out by the AGSM AIM Group explicitly included in the Delegated Acts that do not meet the technical screening criteria, do not respect the DNSH principle and/or the minimum safeguards.

Table 11 - Taxonomy-eligible activities (aligned and non-aligned)

Non-eligible Activities

Non-eligible activities: activities carried out by the AGSM AIM Group that are not explicitly included in the Delegated Acts because they do not contribute substantially to any environmental objective.

Table 12 - Taxonomy-non-eligible activities

The analysis was carried out according to the following steps:

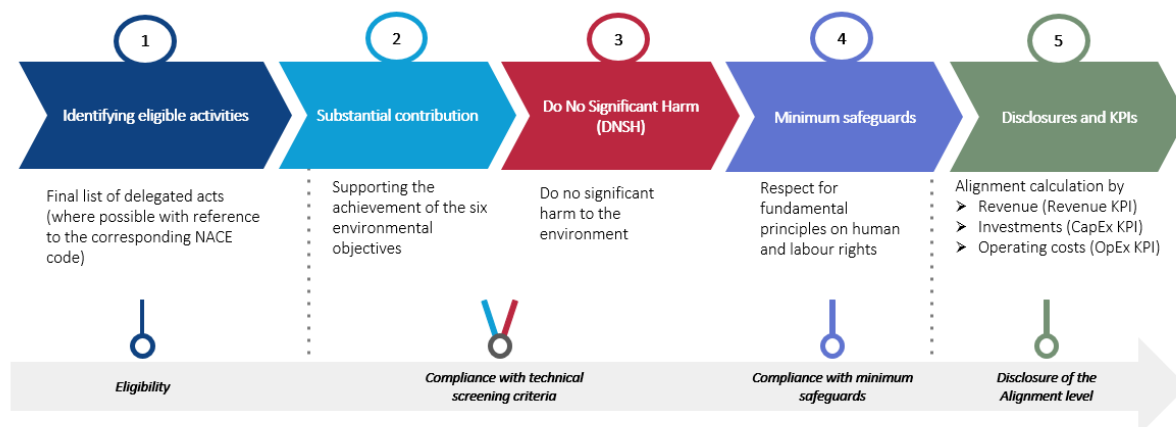


Figure 19 - Activity analysis process

1. Identifying eligible activities

The first stage of the process allowed for the identification, through a careful analysis of the activities included in the Taxonomy Regulation, of those applicable to AGSM AIM's business, also considering the description provided and the potentially applicable NACE codes (i.e. Statistical Classification of Economic Activities of the European Community).

2. Substantial contribution

After identifying eligible activities, the technical contacts of the Departments and subsidiaries were involved in order to initiate the Substantial Contribution Assessment. The activities classified as eligible were analysed in detail for their compliance with the specific technical criteria established to measure their substantial contribution to achieving the three objectives in scope and our Group.

3. Do No Significant Harm (DNSH)

For sustainable activities classified as eligible and aligned, an analysis of existing environmental procedures was performed to verify compliance with the Do No Significant Harm (DNSH) principle also with reference to the other environmental objectives identified by the EU Taxonomy.

What does DNSH mean?

The principle of "not causing significant harm" to the environment (also known as the DNSH principle, i.e. "Do No Significant Harm") was created to combine economic growth and ecosystem protection, ensuring that investments are made without affecting environmental resources. The criteria for assessing DNSH compliance include analysing the environmental impact, assessing the long-term sustainability and the absence of significant negative effects. It is also essential that projects demonstrate a positive contribution towards the environmental objectives indicated in the European Taxonomy.

The criteria for assessing DNSH compliance include analysing the environmental impact, assessing the long-term sustainability and the absence of significant negative effects.

4. Minimum safeguards

Compliance with the minimum social safeguards in the area of human and labour rights provided for in Article 18 of the Taxonomy Regulation was then verified. For further details, see the dedicated box.

5. Disclosures and KPIs

The corresponding economic-financial metrics were associated with each economic activity according to the classification made in steps 1 to 4 above, gathering the relevant administrative-accounting information from the Group's applications, and ensuring consistency with the data reported in the consolidated financial statements.

Verifying compliance with the minimum safeguards

The AGSM AIM Group operates in compliance with current Italian and European regulations and with the specific objective of ensuring that its stakeholders achieve sustainable goals. In particular, the AGSM AIM Group's operational activities are carried out in accordance with the OECD Guidelines for Multinational Enterprises, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the principles issued by the Global Compact.

In line with international reference standards, the AGSM AIM Group has defined and adopted a series of internal policies and operating practices to ensure compliance with minimum safeguards:

- in order to protect and promote **human rights**, the AGSM AIM Group has defined and adopted the Policy for the protection of human rights in order to indicate the fundamental principles on which the Group inspires its work in order to safeguard and promote human rights when conducting its business and activities. The Group has also adopted a Code of Ethics that defines the values and principles of conduct that each person working in the name and on behalf of the Group must respect when performing their duties. In order to protect the confidentiality of its stakeholders' personal data, the AGSM AIM Group has implemented a privacy governance system in which roles, responsibilities and operating methods are defined in compliance with the GDPR;
- with reference to **combating corruption**, a Group Anti-Corruption Policy has been drawn up detailing rules, controls and safeguards to prevent active and passive corruption offences. In addition, several Group companies have adopted their own organisation, management and control model pursuant to Italian Legislative Decree 231/2001, which defines protocols and procedures aimed at mitigating the risk of the offences provided for in Decree 231 being committed by directors, senior managers or employees in the interest or to the advantage of the entity. The Group has also adopted a communication system aimed at employees reporting potential conduct in breach of the Code of Ethics, the Anti-Corruption Policy and the Organisation, Management and Control Model;
- with reference to **tax management**, the Group has adopted a tax strategy aimed at ensuring fair, responsible and transparent taxation;
- with reference to **respect for the principle of competition and the market**, the values enshrined in the Group's Code of Ethics and the safeguards set out in the operational procedures for the management of business activities, help to ensure fair competition, free from improper, collusive or predatory conduct, to the detriment of consumers, suppliers and business partners.

2.6.2 Our Commitment to the European Taxonomy

The in-depth analysis carried out during 2024 enabled the redefinition and consequent expansion of the number of eligible activities attributable to the inclusion of the four environmental objectives introduced with the Taxonomy Environmental Delegated Act EU 2023/3851. The following table shows the sustainable activities carried out by the Group with an indication of the relevant Business Unit.

#	ELIGIBLE ENVIRONMENTALLY SUSTAINABLE ACTIVITIES	BUSINESS UNIT
CLIMATE CHANGE MITIGATION		
3.10	Hydrogen Production , which consists of producing hydrogen and hydrogen-based synthetic fuels.	Power
4.1	Electricity generation using solar photovoltaic technology , which consists in building and operating photovoltaic panels to develop green and sustainable electricity from renewable sources.	Power
4.3	Electricity generation from wind power , which consists in building and operating plants for the production of electricity from wind power, sustainable and renewable energy for significant environmental benefits.	Power
4.5	Electricity generation from hydropower , which consists in building and operating plants using a renewable and sustainable energy source.	Power

#	ELIGIBLE ENVIRONMENTALLY SUSTAINABLE ACTIVITIES	BUSINESS UNIT
4.9	Transmission and distribution of electricity , which consists in building and operating networks to transport electricity throughout the territory via low, medium, high and extra-high voltage systems.	Networks
4.15	District heating distribution involving the construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the sub-station or heat exchanger.	Heat
4.29	Electricity generation from fossil gaseous fuels , which consists in constructing or operating plants to generate electricity using fossil gaseous fuels.	Power
4.30	High-yield cogeneration of heat/cold and electricity from gaseous fossil fuels consisting of the construction, redevelopment and management of combined heat/cold and electricity generation plants using gaseous fossil fuels.	Heat
5.5	Collection and transport of non-hazardous waste sorted at source , which involves the sorted waste collection and transport of non-hazardous waste in single or mixed fractions intended for preparation for reuse or recycling.	Environment
5.7	Anaerobic digestion of organic waste which consists of the construction and management of dedicated plants for the treatment of separately collected organic waste through anaerobic digestion, resulting in the production and use of biogas and digestate and/or chemical products.	Environment
5.9	Material recovery from non-hazardous waste , which consists in building and operating plants for sorting and processing separately collected non-hazardous waste streams into secondary raw materials involving a mechanical transformation process, except for backfilling purposes.	Environment
6.15	Infrastructure enabling road transport and low-carbon public transport , consisting of the construction, upgrading, maintenance, and management of infrastructures required for zero CO ₂ emissions from road transport exhausts, as well as transshipment facilities and infrastructure necessary for urban transport management.	Smart Solutions
7.3	Installation, maintenance and repair of energy efficiency devices carried out by the subsidiary AGSM AIM Smart Solutions through upgrades involving new installations, maintenance and repair of public lighting devices with the virtuous aim of increasing energy efficiency.	Smart Solutions
7.4	Installation, maintenance and repair of charging stations for electric vehicles which consists in the installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Smart Solutions
8.1	Data processing, hosting and related activities carried out through the storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, including edge computing.	Smart Solutions
SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES		
2.1	Water supply that consists of the construction, expansion, management and renewal of systems for the collection, treatment and supply of water intended for human consumption based on the extraction of natural resources from surface or underground water sources.	Corporate
2.2	Urban wastewater treatment that consists of the construction, expansion, modernisation, management and renewal of urban wastewater infrastructure, including treatment plants, sewage networks, stormwater management facilities, connections to wastewater infrastructure, decentralised wastewater treatment plants, including individual and other appropriate systems, and discharge facilities for treated sewage.	Corporate

Table 13 - Eligible environmentally sustainable activities

With reference to activities related to the sustainable use and protection of water and marine resources, it is worth noting that the Parent Company owns the assets related to the supply (2.1) and treatment (2.2) of water in the Municipality of Verona. The aqueduct and the treatment plant are operationally managed by the companies Acque Veronesi S.c.a.r.l. and Viacqua S.p.A., which are responsible for carrying out both ordinary and extraordinary maintenance. The values of the indicators reported in the following paragraphs therefore represent the revenues derived from leasing the assets to the two in-house companies, while no operating costs or investments specifically attributable to these assets are present.

In general, the values reported in the following paragraph relating to revenues, direct operating costs, and increases in overall tangible and intangible assets are consistent with the data presented in the current AGSM AIM Group Annual Financial Report for the 2024 fiscal year.

For the purposes of reporting pursuant to the Taxonomy Regulation, each of the economic activities of the AGSM AIM Group mentioned above was subject to specific (by cost centre) and detailed analyses (on the individual accounts and the related accounting entries), in order to avoid the risk of double calculation and determine the economic, financial and equity performance, broken down into the three categories listed below.

2.6.3 Results of the Group's Eco-Sustainable Activities

The indicators that represent the results achieved by the AGSM AIM Group in 2024 relating to the share of revenue, capital expenditure (CapEx) and operating expenditure (OpEx) in relation to eligible, aligned and not eligible activities for European Taxonomy are shown below.

KPI – Revenue

The analysis of 2024 turnover allowed revenue to be identified for a total of Euro 766.7 million when considering taxonomy-eligible and -non-eligible activities; of this amount, 27.0%, equal to Euro 207.3 million, was considered eligible under the legislation on the European taxonomy of sustainable activities. The remaining Euro 559.5 million, amounting to 73.0%, is made up of non-eligible revenue from economic activities that are currently outside the scope of EU Regulation 2020/852.

Revenue from sales and services relating to eligible business activities and aligned with the climate change mitigation objective amount to approximately Euro 194.5 million, equal to about 25.3% of the share of Taxonomy-eligible activities.

REVENUE FROM SALES AND SERVICES	€/000	% of the total (A+B)	% of the activities Eligible
A.1. Environmentally sustainable activities (aligned with the taxonomy)	194,479	25.3%	93.8%
A.2. Taxonomy-eligible but environmentally unsustainable activities (activities not aligned with taxonomy)	12,793	1.7%	6.2%
A. TAXONOMY-ELIGIBLE ACTIVITIES	207,272	27.0%	100.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES	559,454	73.0%	
Total (A + B)	766,726	100.0%	

Table 14 - Revenue from eligible and non-eligible activities

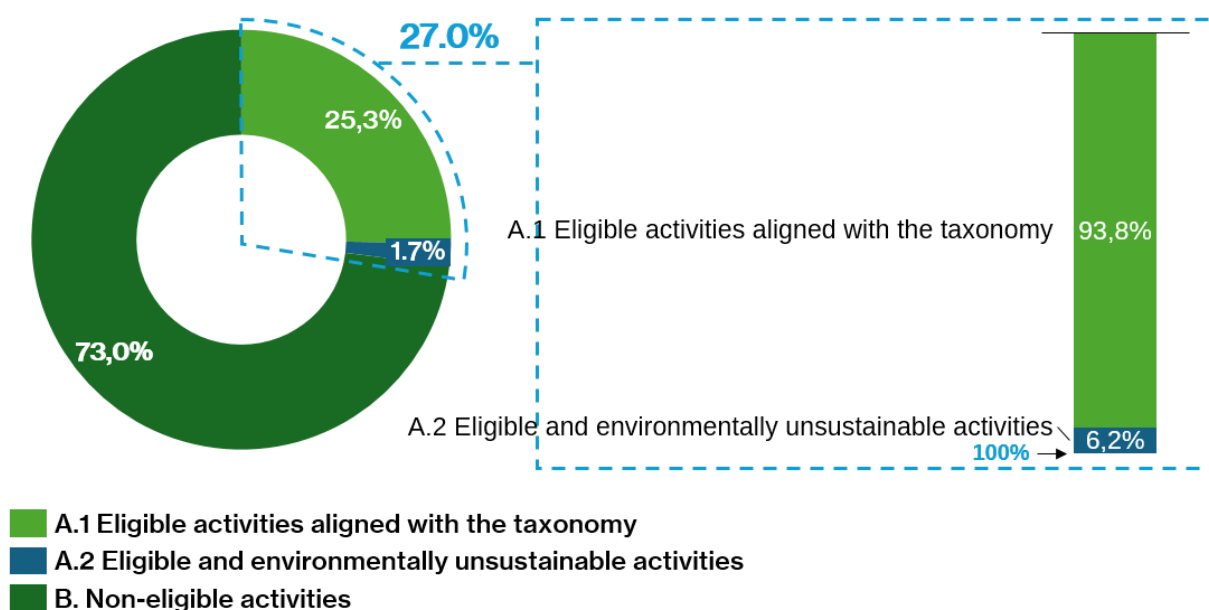


Figure 20 – Eligible Activities (aligned and not eco-sustainable) and Non-eligible Activities

	Taxonomy Alignment by objective	Taxonomy Eligibility by objective
CCM	25.3%	26.3%
CCA	0.0%	0.0%
WTR	0.0%	0.7%
PPC	0.0%	0.0%
CE	0.0%	0.0%
BIO	0.0%	0.0%

Table 15 – Proportion of revenue

With reference to the revenues of eligible (A.1 and A.2) and ineligible activities (B) under the EU Taxonomy criteria, it is possible to highlight the economic impacts attributable both to some general macroeconomic phenomena and to the Group's characteristic operations:

- during 2024, the energy landscape evolved with a progressive and steady upward trend in electricity prices, positively impacting electricity generation activities from all sources: solar photovoltaic technology (4.1), fossil gas fuels (4.29), and high-efficiency cogeneration of heat/cold and electricity from fossil gas fuels (4.30). However, in 2024, the average value of the PUN remained lower than in the previous year, 2023;
- incentives have helped to boost the economic performance of wind farms and the related revenues generated from production activities from this source (4.3);
- thanks to specific analyses carried out by the relevant Departments, it was possible to reclassify as eligible and aligned the production from the majority of the Group's hydroelectric plants, whose economic performance benefited from high rainfall during the year, which in turn led to a significant increase in revenues from electricity production from hydroelectric energy (4.5);
- thanks to specific checks and in-depth investigations carried out within the Networks BU, it was possible to reclassify the electricity distribution activity (4.9) as eligible and aligned, which positively benefited from the application of the T Ross method (i.e., cost determination criterion) and the increase in the remuneration of invested capital;
- revenues from the collection and transport of non-hazardous waste sorted at source (5.5) experienced particularly significant growth thanks to the expansion of collection services in new areas of the municipality of Tirana;
- revenues from the recovery of materials from non-hazardous waste (5.9) increased thanks to the reclassification of activities performed by Transeco as eligible and aligned, as well as the acquisition of a business unit from AMIA S.p.A. (transferred by the Group in 2023 to be brought in-house by the Municipality of Verona) effective from 1 January 2024.

KPI - Operating Expenses (OPEX)

The analysis of operating expenditure (e.g. for services, use of third-party assets, management charges, etc.) for 2024 allowed operating costs to be identified for a total of Euro 627.4 million considering taxonomy-eligible and -non-eligible activities; of this amount, 14.5%, equal to Euro 91.2 million, was considered eligible under the legislation on the European taxonomy of sustainable activities. Euro 536.2 million, amounting to 85.5%, is made up of non-eligible costs from economic activities that are currently outside the scope of EU Regulation 2020/852. Operating costs relating to eligible business activities and aligned with the climate change mitigation objective amount to approximately Euro 86.0 million, equal to about 13.7% of the share of taxonomy-eligible activities.

OPERATING COSTS (OPEX)	€/000	% of the total (A+B)	% of the activities eligible
A.1. Environmentally sustainable activities (aligned with the taxonomy)	86,036	13.7%	94.4%
A.2. Taxonomy-eligible but environmentally unsustainable activities (activities not aligned with taxonomy)	5,131	0.8%	5.6%
A. TAXONOMY-ELIGIBLE ACTIVITIES	91,167	14.5%	100.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES	536,248	85.5%	
Total (A + B)	627,414	100.0%	

Table 16 - Operating expenditure from eligible and non-eligible activities

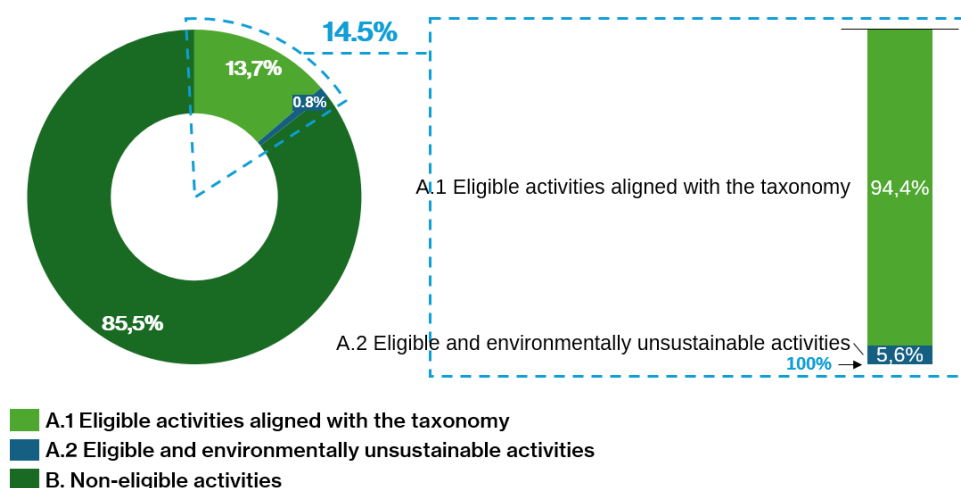


Figure 21 – Eligible Activities (aligned and not eco-sustainable) and Non-eligible Activities

	Taxonomy Alignment by objective	Taxonomy Eligibility by objective
CCM	13.7%	14.5%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
PPC	0.0%	0.0%
CE	0.0%	0.0%
BIO	0.0%	0.0%

Table 17 – Proportion of operating expenditure

With reference to the operating costs relevant to the eligible (A.1 and A.2) and non-eligible (B) activities under the EU Taxonomy criteria, it is possible to highlight the economic impacts mainly attributable to the Group's characteristic operations:

- the higher costs associated with the operation of electricity production activities using solar photovoltaic (4.1) and wind power technologies (4.3) reflect increased maintenance expenses, which are partially offset by lower maintenance costs incurred in the operation of hydroelectric electricity generation plants (4.5);
- the increase in operating costs recorded in electricity distribution activities (4.9) is partly aligned with the trend in revenues and partly attributable to reduced capitalisation of labour costs;
- the high operating costs recorded for the collection and transport of non-hazardous waste separated at source (5.5), and for the recovery of materials from non-hazardous waste (5.9), are consistent with the increasing revenue trends. These trends are driven by the expansion of collection services into new areas of the Municipality of Tirana, the reclassification of Transeco's activities as eligible and aligned, and operating costs resulting from the acquisition of a business unit from AMIA S.p.A.

KPI – Capital Expenditure (CAPEX)

The analysis of capital expenditure on non-current assets, both intangible and tangible, for the year 2024 identified total investments of Euro 135.7 million, including both taxonomy-eligible and non-eligible activities. Of this amount, 71.3%, equivalent to Euro 96.7 million, was deemed eligible under the EU Taxonomy for sustainable activities. The remaining Euro 39.0 million, amounting to 28.7%, is made up of non-eligible costs from economic activities that are currently outside the scope of EU Regulation 2020/852. Capital expenditure relating to eligible business activities and aligned with the climate change mitigation objective amount to approximately Euro 81.4 million, equal to about 60.0% of the share of taxonomy-eligible activities.

CAPITAL EXPENDITURE (CAPEX)	€/000	% of the total (A+B)	% of the activities eligible
A.1. Environmentally sustainable activities (aligned with the taxonomy)	81,377	60.0%	84.2%
A.2. Taxonomy-eligible but environmentally unsustainable activities (activities not aligned with taxonomy)	15,308	11.3%	15.8%
A. TAXONOMY-ELIGIBLE ACTIVITIES	96,685	71.3%	100.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES	39,044	28.7%	
Total (A + B)	135,729	100.0%	

Table 18 - Capital expenditure from eligible and non-eligible activities

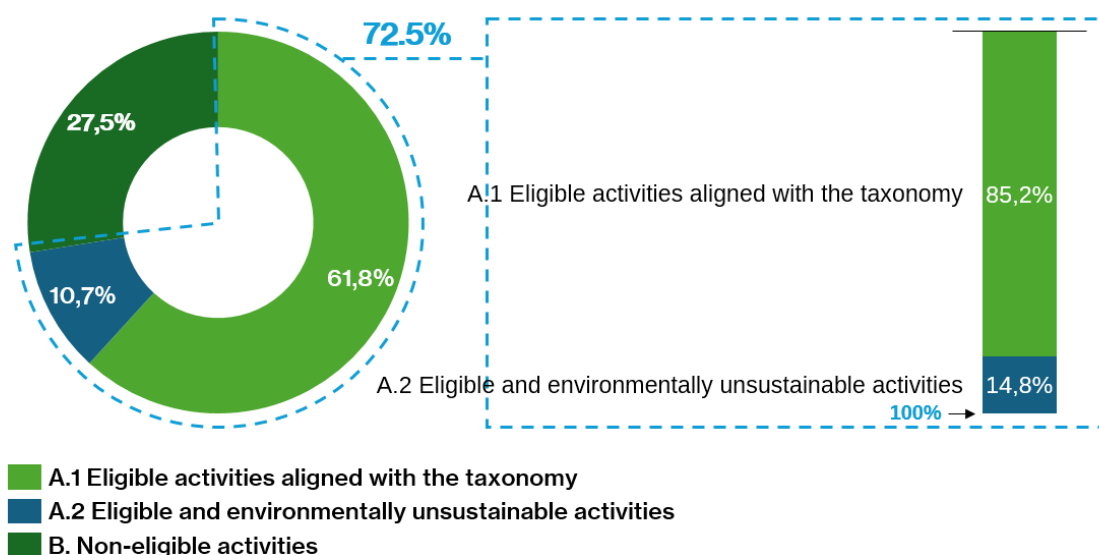


Figure 22 – Eligible Activities (aligned and not eco-sustainable) and Non-eligible Activities

	Taxonomy Alignment by objective	Taxonomy Eligibility by objective
CCM	60.0%	71.3%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
PPC	0.0%	0.0%
CE	0.0%	0.0%
BIO	0.0%	0.0%

Table 19 – Proportion of capital expenditure

With reference to the capital expenditures relevant to the eligible (A.1 and A.2) and non-eligible (B) activities under the EU Taxonomy criteria, there are investments increasing by 21.9% compared to the previous year, mainly due to the Group's commitment to implementing the projects indicated in its Business Plan, in particular:

- Start of operations for the project to build the new hydrogen production plant (3.10), developed in partnership with the ENI Group at the Marghera facility;
- construction of new plants for electricity generation using solar and photovoltaic technology (4.1) amounting to approximately Euro 15 million, in addition to repowering and extraordinary maintenance expenses of Euro 1.8 million;
- continuation of project activities for the construction of the new Monte Giogo di Villore wind farm, as well as repowering and extraordinary maintenance works on certain wind power generation plants (4.3);
- extension and upgrading of electricity distribution networks (4.9);
- investments made to enhance the collection and transportation of non-hazardous waste in source-separated fractions (5.5) in new areas of the municipality of Tirana, renewal of vehicles at the companies of the Environment BU managing collection in the municipalities of Verona and Vicenza provinces, as well as the implementation of projects to establish new and/or improved collection and transfer areas at facilities dedicated to the recovery of materials from non-hazardous waste (5.9);
- installation of infrastructure enabling low-carbon road transport and public transport (6.15), i.e. electric vehicle charging stations managed by the Smart BU;
- continuation of initiatives aimed at improving energy efficiency and upgrading high-efficiency cogeneration plants producing heat, cooling, and electricity from gaseous fossil fuels (4.30) within the district heating plants managed by the Heat BU.

3. Social information

3.1 Own workforce – ESRS S1

3.1.1 Strategy

[ESRS_2, DR SBM-3, DP 13a, 13b]
[ESRS_2, DR SBM-3, DP 14, 15, 16]
[ESRS_2, DR SBM-3, DP 48a]

The following table lists the impacts, risks, and opportunities related to the AGSM AIM Group's own workforce, identified and assessed as material following its Double Materiality Analysis (DMA) conducted in 2024, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S1	Adequate wages	Failure to comply with fair wage conditions constitutes a violation of workers' rights regulations and causes difficulties and hardship for the workforce. This can lead to financial insecurity, reduced motivation and productivity, as well as an increase in staff turnover.	Potential negative impact	Medium and Long Term		✓	
S1	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	Potential interference in the election of union representatives and the establishment of representative bodies.	Potential negative impact	Short Term		✓	
S1	Health and safety	Injuries and illnesses caused by the failure to promote a healthy and safe working environment for company staff and third parties working with the AGSM AIM Group, with consequent impact on the national health service and regulatory bodies.	Potential negative impact	Short, Medium and Long Term		✓	
S1	Health and safety	The operation and maintenance services (so-called O&M) of wind farms, which include installation, maintenance, monitoring, and repair of turbine installations, are subject to high safety standards due to the inherent risks of the work (such as working at height); this presents a potential negative impact on employee and environmental safety.	Potential negative impact	Short and medium term		✓	
S1	Training and skills development	Negative impact associated with the lack of skills development/training opportunities for staff.	Potential negative impact	Short, Medium and Long Term		✓	
S1	Training and skills development	The implementation of training and educational activities (such as workshops, technical training programmes, and courses) is essential for developing workers' skills and abilities. Training programmes also help to improve employee satisfaction.	Current positive impact	Short, Medium and Long Term		✓	
S1	Diversity	The occurrence of gender-based violence and racism can negatively affect perceptions of the workplace and create discomfort during work activities. These kinds of incidents negatively impact staff wellbeing, lower their drive and output, and may affect their mental health.	Potential negative impact	Short and medium term		✓	

					Value Chain Stage		
ESRS	Sustainability topic	Description	IRO	Time horizons	Upstream	Own operations	Downstream
S1	Social dialogue	Potential impairment and obstacle to social dialogue between workers, employers, and trade union representatives, resulting in difficulties in securing equitable and favourable agreements for workers.	Potential negative impact	Short and medium term		✓	
S1	Privacy	There is a risk to employee privacy and personal safety if confidentiality is compromised or if cyberattacks affect company data.	Potential negative impact	Short and medium term		✓	
S1	Collective bargaining	Violation of the provisions contained in the national collective labour agreements (CCNL), resulting in a negative impact on the working conditions guaranteed to employees.	Potential negative impact	Short and medium term		✓	

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S1	Adequate wages	Risk of non-compliance with fair wage laws, leading to increased dissatisfaction, higher turnover rates, and potential penalties.	Risk	Short and medium term		✓	
S1	Gender equality and equal pay for work of equal value	The lack of gender equality and equal pay for work of equal value can lead to discrimination claims from employees. This risk can arise from unfair hiring, promotion, and pay practices, which may be perceived as discriminatory.	Risk	Medium and Long Term		✓	
S1	Health and safety	Workplace injuries or personal harm (due to deficient workplace occupational health and safety, inadequate risk assessments, improper use of personal protective equipment, or external events) could lead to increased fines and penalties, higher compliance costs due to stricter oversight, and potential legal disputes, all impacting the Group's economic performance.	Risk	Short, Medium and Long Term		✓	
S1	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	A high rate of unionisation, combined with ineffective management of work-related issues, might cause strikes that disrupt operations and cause delays. This poses a risk of increased operational costs, disruption of cash flows, and potential legal disputes.	Risk	Short, Medium and Long Term		✓	
S1	Training and skills development	Opportunity to benefit from incentives to provide specific training to staff, enhancing the Group's appeal in the market and helping to improve the ability to retain skilled and trained personnel (talent retention).	Opportunity	Short and medium term		✓	
S1	Secure employment	Loss of a key person due to pay disparities compared to other companies in the sector, low engagement, or retirement, which could cause possible disruption or underperformance of certain business activities due to the loss of know-how and operational costs associated with recruiting, hiring, and onboarding new personnel.	Risk	Short and medium term		✓	
S1	Social dialogue	When social dialogue is compromised, workers and employers may find it more difficult to reach fair and sustainable agreements. This can lead to conflict, strikes and decreased productivity.	Risk	Medium term		✓	
S1	Collective bargaining	When a company fails to comply with the regulations set out in the national collective labour agreements (CCNL), workers and trade unions may take legal action to enforce their rights, leading to costly and potentially lengthy lawsuits. Moreover, such violations can cause strikes and other forms of protest, disrupting business operations and reducing productivity. This climate of conflict can also damage the company's reputation, making it harder to attract and retain talent and customers.	Risk	Medium term		✓	
S1	Child labour	Risk of financial losses or damage that may arise from the violation of the fundamental rights of working-age individuals. This risk materialises when current regulations prohibiting child labour are not respected. Failure to comply with such regulations can lead to serious financial consequences and damage to the company's reputation.	Risk	Medium term		✓	

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S1	Forced labour	Risk of financial losses or damage arising from the violation of individuals' fundamental rights. This risk materialises when current regulations prohibiting forced labour are not respected. Failure to comply with such regulations can lead to serious financial consequences and damage to the company's reputation.	Risk	Medium term		✓	

The AGSM AIM Group considers people to be crucial in ensuring the achievement of its objectives. For this reason, it is committed to ensuring a work environment in which all people feel respected and have equal opportunities for growth and development, spreading a culture that respects and values diversity. An inclusive work environment that promotes work-life balance, values people, and respects human dignity and individuality.

Within the Double Materiality Analysis, no specific impacts, risks, or opportunities have been identified for particular groups of people. All the relevant impacts identified concern the entire company workforce of the Group, with no exceptions.

The identified significant negative impacts are potential and linked to individual events.

With reference to the currently identified positive impact in the area of training, the "Training" paragraph in the "Metrics and Objectives" section details and describes the main activities carried out by the Group.

3.1.2 Impacts, risks and opportunities management

[ESRS_S1, DR S1-1, DP 19, 20a, 20b, 20c, 21, 22, 24a, 24b, 24c, 24d]

The AGSM AIM Group is committed to achieving sustainable success by ensuring the well-being and protection of the rights of people working directly or indirectly for the Group. It respects, protects and promotes human rights and fundamental freedoms for all by committing to guarantee professional relationships with its stakeholders based on respect for human dignity. In this regard, it has defined and adopted the **Policy for the protection of human rights** in order to indicate the fundamental principles on which the Group inspires its work in order to safeguard and promote human rights when conducting its business and activities.

Through the adoption of the aforementioned Policy, AGSM AIM reaffirms its commitment to protecting human rights, including the labour rights of its employees, ensuring that all activities are carried out in compliance with the United Nations Universal Declaration of Human Rights and applicable national and international laws. Furthermore, it formally rejects any form of forced or child labour and ensures working conditions compliant with current regulations both within the Group's companies and among its partners and suppliers.

The Group encourages the recipients of the Human Rights Protection Policy to report, including anonymously, any behaviour or omission that constitutes or may constitute a violation, or an inducement to violate, the principles set out in the Policy. Recipients are required to submit reports through the channels adopted by the Group within the violation reporting system (the Whistleblowing system).

In order to promote diversity in all its forms, combat harassment and discrimination, and ensure fair treatment for all staff, the AGSM AIM Group has established its **Policy for the Protection of Diversity, Equity, Inclusion and Gender Equality**, with the ultimate aim of creating an inclusive work environment where diverse ideas and perspectives are valued and encouraged to foster innovation and creativity.

By defining this Policy, the AGSM AIM Group declares its dedication to preventing all forms of discrimination in employment, starting from the selection and hiring stages through the adoption of inclusive and merit-based criteria, with reference to aspects such as gender, nationality, age, sexual orientation, marital status, disability, physical appearance, skin colour, ethnic and social origins, language, religion or personal beliefs, social and educational background, family and caregiving responsibilities, political opinions, or any other characteristic.

The Human Rights Protection Policy and the Policy for the Protection of Diversity, Equity, Inclusion and Gender Equality are circulated internally through publication on the company intranet and shared with all stakeholders, promoting transparency and collaboration via targeted communications and publication on the corporate website (agsmait.it).

To ensure effective implementation of the policies, they are circulated to all Group companies so that they may acknowledge and adopt them. Furthermore, it is communicated to all stakeholders, with a view to transparency and collaboration with actors along the Value Chain, through targeted communications and publication on the company website.

During the 2024 financial year, the Group launched projects aimed at raising awareness among the company workforce on DE&I, fostering an inclusion-oriented culture that led the Parent Company to obtain gender equality certification in accordance with UNI/PdR 125:2022 standards.

This recognition represents a significant milestone within the policies adopted by the Group to support work-life balance, parenting, and care responsibilities, as well as female empowerment and professional development. The certification confirms the Parent Company's commitment to promoting a fairer, more inclusive, and sustainable work environment.

In the coming years, similar initiatives will be launched aimed at obtaining certification for the other significant subsidiaries within the Group.

[ESRS_S1, DR S1-2, DP 27]

[ESRS_S1, DR S1-3, DP 32, 33]

As outlined in paragraph 1.2.2 "Our Commitment to Stakeholders," the AGSM AIM Group uses various channels to engage directly with its people, including through trade union representatives, who play a central role in representing workers' needs and concerns.

Communication with employees, which can take the form of formal consultations or informal meetings, is an essential aspect of building a relationship based on trust and collaboration. For this reason, AGSM AIM is committed to ensuring a work environment that values active listening and open dialogue, recognising the importance of giving every individual a voice. Among the most notable opportunities for discussion are:

- **Stakeholder Engagement process** involving the personnel of the AGSM AIM Group based in Italy, through a survey conducted by the Risk Management and ESG Function in coordination with the People Transformations Department, aimed at gathering opinions on the importance of sustainability issues (environmental, social, and governance) considered relevant and potentially significant for each category.
- To ensure ongoing employee engagement on **diversity, equity, and inclusion**, the Group has implemented a mechanism for submitting anonymous reports and suggestions for improvement on the subject. As part of the training provided to staff on diversity, equity, and inclusion, the level of understanding of the topics presented is assessed, including the option to submit anonymous reports through dedicated channels.
- **"Diversity and inclusion" survey**: through the completion of a survey focused on key topics related to gender equality, diversity, and inclusion, the People Transformation Department engaged the Parent Company's staff to gather their perspectives and awareness on these issues.
- **Whistleblowing**: a mechanism that allows all staff to confidentially and securely report any breaches of the Code of Ethics, laws, regulations, and company policies and procedures. In accordance with current legislation, this mechanism prohibits any direct or indirect acts of retaliation or discrimination against the whistleblower for reasons connected, directly or indirectly, to the report.
- Reports can be made in writing, through the specific channel available on the Company's institutional website on the whistleblowing page, or verbally by meeting directly with the channel manager. As part of the training activities carried out by the Group for the benefit of personnel working in subsidiaries adopting an organisational model pursuant to Legislative Decree 231/01, the level of understanding of the topics covered is assessed, including awareness of the possibility to submit reports through dedicated channels (e.g. Whistleblowing). For further details, please refer to chapter "4. Governance information".

3.1.3 Metrics and targets

[ESRS_S1, DR S1-6, DP 50a, 50b, 50c, 50d, 50f, 52]

[ESRS_S1, DR S1-7, DP 55a, 55b, 55c]

[ESRS_2, DR SBM-3, DP 14f, 14g]

[ESRS_S1, DR S1-9, DP 64, 66a, 60b]



The importance of people to the AGSM AIM Group is also demonstrated by its continuous investment in human resources, with an overall increase of 529 employees during the reporting period (504 of whom at the subsidiary EcoTirana).

Women in the AGSM AIM Group represent 24.2% of the company population, 10.8% of whom, out of the total workforce, hold clerical positions. The company population mainly consists of men, equal to 75.8%. This is due to the characteristics of the business sectors in which the AGSM AIM Group operates. In particular, there is a predominant presence of male blue collar workers due to the operational management of all our services in the area, such as environmental health services, the maintenance of networks and power and heat production plants, as well as the treatment of waste.

The professional structure is made up of 0.7% executives, 3.0% senior managers, and 31.7% and 64.6% white collar workers and blue collar workers, respectively.

The Group seeks to contribute to local employment. Almost all employees actually reside within the areas in which the Group operates, in particular Veneto (AGSM AIM), Milan (AGSM AIM Energia), Abruzzo (CogasPiù Energie) and Albania (EcoTirana).

The activities put in place to support the development of people are also expressed by using contractual forms that offer greater guarantees, such as that of permanent employment. This classification represents almost all of the employment relationships in the AGSM AIM Group (98.2% of the employment contracts of the Group Companies). Part-time contracts, which account for 3.6%, arise mainly for workers' personal needs.

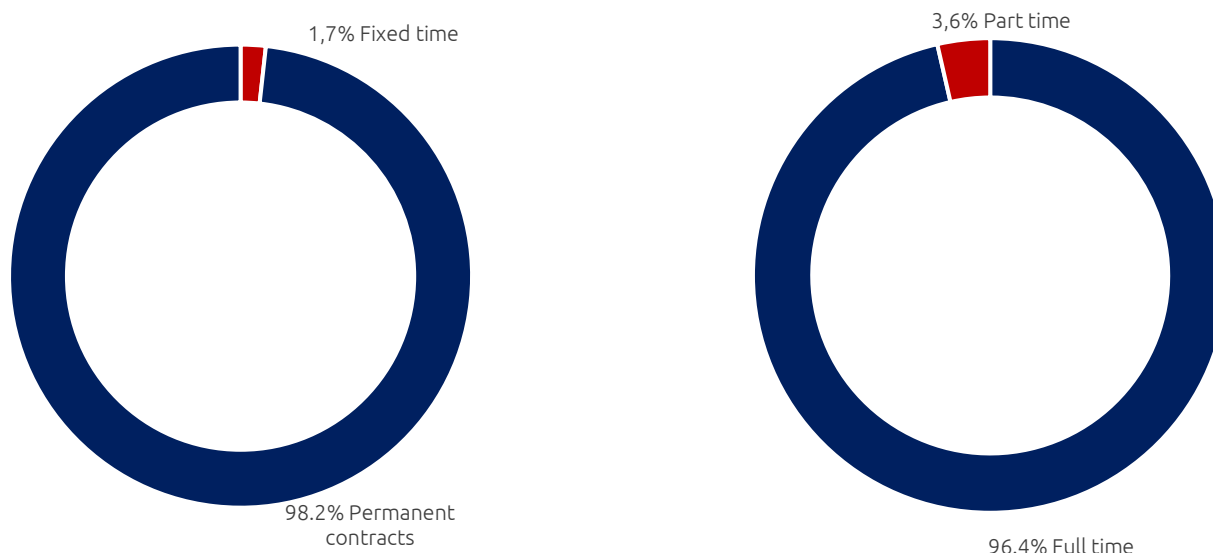


Figure 23 – Contract types

During 2024, 39 non-employees (19 men and 20 women) worked for the AGSM AIM Group. AGSM AIM's non-employees are mainly staff on manpower supply contract for the purpose of temporary employment with the Group and staff on internship contracts to perform the curricular training projects lasting about 3 months.

There are no operations within the AGSM AIM Group that pose a serious risk of forced labour or child labour.

The average age in the AGSM AIM Group is 48 years old²⁰.

At Group level, during 2024, 880 people were hired (92.4% of whom were related to the Group's environmental companies), of whom about 28.6% were women and 44.3% aged 30 to 50, a sign of the Group's commitment to investing in young people and encouraging generational change.

The inbound turnover rate, calculated as the ratio of the total number of people hired during the year to the total workforce in the reference year, stands at 37.5% (26.8% for men and 10.7% for women), while the outbound turnover rate is 15.0% (12.7% for men and 2.4% for women).

During the reporting period, there were 351 terminations of employment, of which 83.6% concerned the Group's environmental companies, where, due to the nature of the activities carried out, there is a high rate of employee turnover. The main reasons were voluntary resignations (72.9% of cases), followed by retirement (12.3% of cases) and the expiry of fixed-term contracts, accounting for 8.9% of the total.

Staff recruitment

The Group's process for selecting and hiring new employees involves acquiring the most suitable resources, both in terms of number and quality, aligned with the actual business needs and available financial resources, based on the principles of:

- adequate publicity of the recruitment;
- impartiality;
- cost-effectiveness and speed of execution;
- respect for equal opportunities between female workers and male workers.

Recruitment is conducted by the People and Transformation Department, following a job description agreed with managers of the Parent Company and Business Units, employing objective processes.

The selection process involves one or more motivational and technical interviews, capable of verifying the satisfaction of the aptitude and professional requirements needed for the position to be filled and assessing the candidate's potential. Each step of the process, as well as the different interactions with candidates, are tracked within a management software. The CVs received at the office, after a period of two years, will be eliminated, according to the provisions of the current legislation on privacy.

Hiring takes place with an individual employment contract, in line with the national collective agreements (of a private nature) applied by the Company.

During the reporting period, the onboarding process was designed and implemented to support all new hires throughout their first year. The process includes providing a welcome kit, organising the first day's agenda, digitising the onboarding paperwork, distributing short videos designed to convey key information about the Group and its values, and implementing a digital tracking journey of the touchpoints involving the new hire, their manager, and the Organisation and Development team.

Collective bargaining and welfare

[ESRS_S1, DR S1-4, DP 38a, 38b, 38c]

[ESRS_S1, DR S1-8, DP 60a, 60b, 63a, 63b]

[ESRS_S1, DR S1-10, DP 69, 70]

[ESRS_S1, DR S1-15, DP 94]

The AGSM AIM Group sets its remuneration policy in full compliance with internal equity and Italian legislation, with scrupulous reference to the relevant National Collective Bargaining Agreements, excluding any type of discrimination.

Within the Group, numerous National Collective Employment Contracts (CCNL) are in force, including:

- National Collective Labour Agreement for Managers in Public Utility Service Companies Confservizi-Federmanager (accounting for 1.1% of the total workforce based in Italy);
- UTILITALIA CCNL for the Environment Sector (accounting for 10.9% of the workforce located in Italy);

²⁰ The average age data exclude EcoTirana and SERIT companies.

- FISE CCNL for the Environment Sector (accounting for 25.8% of the workforce located in Italy);
- UTILITALIA CCNL for the Electric Sector (accounting for 61.8% of the workforce located in Italy);
- Confcommercio CCNL for the Service Sector (accounting for 0.3% of the workforce located in Italy).

100% of the employees in Italy are covered by the above-mentioned National Collective Bargaining Agreements.

The costs that AGSM AIM incurs for its employees mainly take into consideration: both immediate (remuneration and fringe benefits) and deferred (severance indemnities and additional months) direct remuneration, and indirect remuneration (social security contributions borne by AGSM AIM Group companies).

Personnel costs are a significant indicator of the contribution of the AGSM AIM Group to employment in the local area (Veneto) in which 58.5% of its employees reside.

The Group supports freedom of association and the effective recognition of the right to collective bargaining, considering dialogue with trade unions and workers' representatives essential. Periodic meetings with company union representatives are planned in order to promote not only constant communication but also proactive cooperation on all relevant issues, with particular attention to safety, training and sustainability initiatives.

The unionisation rate within the AGSM AIM Group in 2024, calculated as the number of union members over the total employees based in Italy, is 28.7%.

With regard to supplementary pensions, AGSM AIM favours the registration of workers both in the negotiation supplementary pension funds (Pegaso, Previambiente, Previndai, Fonte) and in the open funds (of a private nature and promoted by the main insurance companies and credit institutions). Membership in a Negotiation Fund entitles the employer to contribute at least the same amount paid by the worker.

The Group provides different opportunities for both supplementary health protection and the development of recreational activities for employees.

For personnel based in Verona, "ordinary membership" is envisaged in CRAEM, a welfare and recreational club set up among all employees in accordance with the provisions of the National Collective Bargaining Agreement and trade union agreements, which has as its purpose the moral and physical elevation of workers with the implementation of welfare, social security, cultural, artistic, recreational and sports initiatives. Employee membership can also be of the "voluntary type" by paying a percentage of the gross monthly salary based on the package (recreational activity and/or care activity) and the type of membership selected (ordinary or voluntary).

Personnel based in Vicenza are expected to join FISDE OPEN to ensure greater health coverage as well as to join CRAIN to develop recreational activities and opportunities for colleagues to share.

The performance bonus, negotiated during second-level bargaining, is linked to measurable and quantifiable increases in productivity, profitability, quality, or efficiency and innovation of the production process. In all Group companies, the targets for the 2024 bonus are closely linked to the business of each legal entity, or functional to it, and are aimed at enhancing and measuring collective performance.

Regarding the Parent Company, it consists of numerous staff units whose main objective is to support and enhance the service provided or the activities carried out by the subsidiaries.

For the various subsidiaries, the objectives are instead focused on improving qualitative and quantitative performance, achieving specific results, or implementing and developing new business activities or phases thereof.

The financial award, once the Group's consolidated financial profit is achieved, will depend on the attainment of the Group's objectives.

Therefore, the annual Performance Bonus for the employees will be related:

- a. to the profitability parameter for a percentage of 40%;
- b. to the productivity and quality parameter for a percentage of 60%.

In this regard, the possibility of converting, in whole or in part, the amount of the Performance Bonus into forms of welfare was also maintained in 2024. In particular, to all workers who freely chose to convert their Bonus into welfare goods and services and who are entitled to do so under current tax legislation, the Company made available an additional package of welfare goods and services with a value equal to 20% of the converted portion of the Bonus. Instead workers who chose to convert the Performance Bonus by allocating it in whole or in part to the sector Supplementary Pension Fund, were granted a further amount equal to 5%, in addition to the above value of 20%, of the converted portion of the Performance Bonus.

Among the “**Flexible Benefits**” made available: fuel vouchers, food vouchers, shopping vouchers, health packages, travel packages, cinema, theatre, gym and swimming pool season tickets, educational and training expenses, and other care costs.

The AGSM AIM Group made available an individual budget to beneficiaries, equal to the portion of the envisaged Performance Bonus, to be paid via the forms described above. Beneficiaries can convert their Bonus into welfare benefits by logging on to the dedicated welfare portals. Failure to choose conversion into one of the proposed benefits results in full payment of the Bonus in the salary, with reduced taxation, for those entitled in accordance with the provisions of current tax regulations.

We invest in the wellbeing of our People

In order to improve the quality of life of the Group’s personnel, greater flexibility is one of the levers for improving performance and productivity.

AGSM AIM facilitates the work-life balance by applying flexible working hours, providing part-time employment contracts, and allowing the use of smart working. In the 2024 financial year, remote working involved 444 people within the AGSM AIM Group (31% of the total workforce based in Italy), accounting for a total of 164,178 hours.

In support of employment and in order to **reconcile private life** with work commitments, the AGSM AIM Group intends to gradually adopt some measures which are currently being developed and studied, such as:

- **Flexibility under exceptional circumstances**

- The Group takes into account the needs of workers, analysing each situation and arranging ad hoc management for each individual, based on a linear organisation.

- **Part-time on return from maternity leave**

Every request received is carefully reviewed with the aim of enabling all individuals to balance caregiving responsibilities or other personal needs with their career path.

- **Remote working**

- AGSM AIM has introduced and consolidated smart working for all roles in those staff categories which can work remotely. Smart working represents a form of flexibility and at the same time a new management philosophy, which evaluates work on objectives and not on schedules.

In addition, the AGSM AIM Group complies with the Consolidated Law on the protection and support of maternity and paternity (Italian Legislative Decree 151/2001 and subsequent amendments), which regulates the leave, rest, absence and economic support of workers, related to maternity and paternity of natural, adoptive and foster children.

AGSM AIM also supports its personnel in parenting by providing a maternity allowance of 100% of salary instead of the 80% envisaged by applicable legislation during the period of compulsory leave.

During the reporting period, several initiatives were introduced to promote corporate wellbeing, such as "Solidarity Hours," which allow employees to voluntarily and freely donate their holiday hours to colleagues needing to care for minor children or family members, as well as paid leave for assisting children under 18, parents over 65, spouses, or cohabiting partners.

It should be noted that all employees of the AGSM AIM Group are entitled to family leave in accordance with the social policy adopted by the Group and the applicable collective agreements.

Diversity & Inclusion

[ESRS_S1, DR S1-12, DP 79]

[ESRS_S1, DR S1-16, DP 97a, 97b]

[ESRS_S1, DR S1-17, DP 103a, 103b, 103c, 104a, 104b]

Diversity, equity and inclusion are fundamental values to promote and create an open, respectful and plural working environment, where everyone can contribute with their own uniqueness, and bring added value to the organisation and the community in which it operates.

Diversity represents people as distinct identities, fostering a heterogeneous cultural environment, nurturing creativity, innovation, productivity and the generation of ideas, and improving the working environment. Therefore, it must be safeguarded and protected in all its forms, as a source of wealth for the growth of the Group and for the community in which it operates.

The Group promotes respect for equal opportunities in each dimension of diversity:

- **gender:** committing to combating stereotypes, prejudices, even unconscious, and any form of discrimination related to gender differences or gender identity;
- **interculturality:** recognising the value that the integration of different cultures and experiences can offer on a human, social and professional level, generation and disability;
- **generation:** addressing the challenges related to the evolution of society, the market and innovation through the knowledge, experiences and different perceptions of work, roles and relationships that characterise each age;
- **disability:** recognising equal opportunities, regardless of sensory, cognitive and motor disabilities by adopting any action or measure aimed at breaking down cultural, structural, sensory and physical barriers. Within the Group some personnel belong to the protected categories, representing 1.4% of the total workforce.

AGSM AIM also promotes equality right from the time of recruiting staff with job growth paths based on criteria of competence and performance and is committed to eliminating all forms of discrimination based on gender, age or personal and ideological beliefs, in order to foster a harmonious and stimulating working environment.

Similarly, in the 2024 financial year, no reports were received through the channels provided to AGSM AIM Group personnel, and no sanctions were recorded concerning incidents of discrimination or harassment.

AGSM AIM's commitment to combating and preventing all types of discrimination is also reflected in the remuneration structure of its staff. The Group's system of remuneration policies is based on the ability to recognise the most appropriate remuneration package on the basis of individual performance and professional skills. Any distinction in remuneration between the persons of AGSM AIM may be exclusively attributable to these factors.

The ratio between the remuneration of women compared to that of men in the senior and middle managers, white collar workers, and blue collar workers categories is equal to: 95%, 92% and 74% respectively. While the ratio of the basic salary is equal to: 93% for senior and middle managers, 92% for white collar workers and 76% for blue collar workers²¹.

Gender gaps, where present, are linked to aspects like the organisational significance of the role, responsibilities, and seniority level.

The analysis of specific deviations did not reveal discriminatory trends but dynamics linked to the representativeness of the female sample in the reference cluster.

The ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all other employees in the 2024 financial year is 5.17%.

²¹The data do not include the companies EcoTirana, SIA, and Serit

Training

[ESRS_S1, DR S1-13]

The AGSM AIM Group promotes a working environment where all employees feel positively involved in ensuring the definition of their own skills and career development path, while maintaining high performance and motivation.

Training is an important part of developing personnel. Given the nature of the activities provided, continuous updating in the regulatory and technical field is essential for providing an adequate and efficient level of service.

On-the-job training plays a primary role and is guaranteed thanks to the involvement of hierarchical superiors, who are encouraged to take a leading and coaching role in the development of their co-workers, to ensure that they are successful in their current role while increasing their awareness for future career aspirations.

In 2024, 44,682 hours of training were provided to employees, 52.2% more than in the previous reporting period. In 2024, the per capita training hours per participant in the AGSM AIM Group amounted to 19.4.

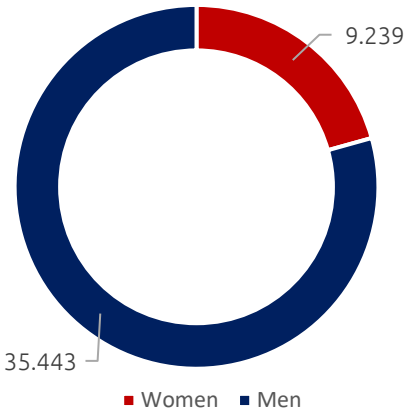


Figure 24 – Hours of training by gender

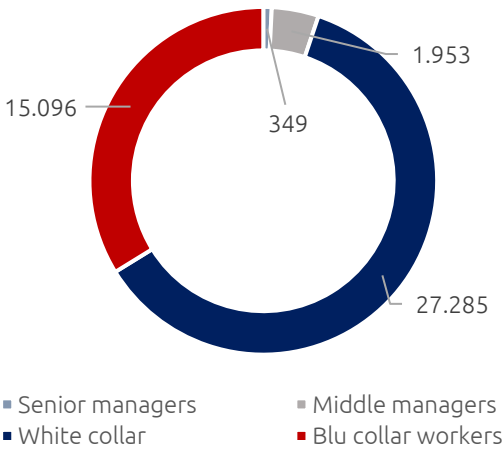


Figure 25 – Hours of training by

At the end of each training course, employees are asked to evaluate the teaching, the content covered and the overall effectiveness by completing an anonymous questionnaire. E-learning training will be provided to allow greater flexibility for employees.

In 2024, work continued on the VOLT UP project, aimed at developing individual skills and initially addressed to all AGSM AIM Group employees under the age of 40 (graduates and high school diploma holders in technical subjects). The project will be completed during 2025 with the aim of identifying specific individual courses for all participants, aimed both at professional development and at increasing engagement. The more than 80 participants in the 2024 project monitored their action plans, and in 2025 they will be involved in specific training initiatives.

For more details regarding the training plan implemented during the financial year, please refer to section “1.5 Human Resources” of the Report on Operations in these Consolidated Financial Statements.

Occupational health and safety

[ESRS_S1, DR S1-1, DP 23]

[ESRS_S1, DR S1-14, DP 88a, 88b, 88c, 88e]

The Group is committed to the health and safety of all its workers.

The occupational health and safety management system adopted, as defined by the current provisions of Italian Legislative Decree no. 81/08 “Consolidated Law on Health and Safety at Work”, provides for a careful examination of the risks of each sector of activity with the aim of continuously improving work and social performance.

The Group's managerial approach to this issue has long been inspired and guided by international standards and rules: firstly, the reference was the OHSAS 18001 standard and then the ISO 45001 standard, which are observed by the systems implemented in nine Group companies. 100% of the employees are covered by the occupational health and safety management system.

The AGSM AIM Group identifies the hazards present in company activities that may cause accident or illness through inspections carried out jointly in the workplace by the Heads of the Health and Safety Service (RSPP), Company Doctors, Workers' Health and Safety Representatives and the related heads of unit. The Group Companies then assess the risks to the health and safety of workers due to the hazards detected in the workplace, and check whether there is the possibility of eliminating or reducing them by adopting prevention and protection measures.

In the event of an accident, an investigation is launched which may include, in addition to interviewing the injured person and any witnesses, an inspection of the site of the event. The objective of the investigation is to determine its causes in order to identify the measures to be taken to prevent it from happening again. A similar investigation is opened in the case of near misses.

In accordance with the provisions of Articles 17, 18, 28 and 29 of Legislative Decree 81/08, Employers, in collaboration with the Heads of the Health and Safety Service (RSPP) and the Company Doctors, implement a process to identify the hazards and assess risks to health and safety in the workplace and in the activities carried out by the personnel. This process allows Employers to identify suitable prevention and protection measures to avoid or, if not possible, reduce the likelihood of an unfavourable event or, in any case, reduce its consequences.

The provision of Personal Protective Equipment (helmet, footwear, high-visibility clothing, etc.) or Collective Protective Equipment is the responsibility of the company, which also provides training for correct use. The Health and Safety Service (SPP) identifies the characteristics of the necessary PPE by preparing a special catalogue and verifies its effectiveness with the support of the workers, supervisors, Workers' Health and Safety Representatives and heads of department.

The risk assessment and the consequent prevention and protection measures are contained in the Risk Assessment Document (DVR) prepared for each Group company.

Given the type of accident events and risks identified in the DVRs, the "Corporate Wellness" project was launched in 2023. It is aimed at training and raising the awareness of workers with the aim of preventing musculoskeletal disorders, visual disturbances and biomechanical overload pathologies of the upper limb.

At the various company sites, plans are in place to manage possible emergencies, known as "Emergency Plans". To this end, in each Group company, there are personnel specifically trained in fire-fighting, first aid and also in using a defibrillator, available in various company premises. The emergency procedures require that anyone who detects an abnormal or dangerous situation should call the internal designated numbers answered by the personnel in charge.

In 2024, there were 60 accidents at work, of which the main causes were tripping, slipping, stress injury and injuries caused by working. There were 15 commuting accidents, this term indicating those accidents occurring when travelling from home to the workplace with means owned by the individual worker. In these events, the causes depend on factors that cannot be managed by the companies of the AGSM AIM Group.

Finally, there are 12 accidents that can be classified as accidents with serious consequences for absence from work of more than 40 days. No event had an initial prognosis of more than 40 days.

No fatalities resulting from injuries or illnesses related to work activities were recorded during the reporting period.

In 2024, the AGSM AIM Group maintained the trade union agreement to protect workplace safety concerning adoption of the "man on the ground" system for isolated or solo workers.

Health surveillance, as regulated in Section V (Health Surveillance) of Italian Legislative Decree no. 81/08 and in the Risk Assessment Document, is entrusted to external professionals (Article 41 of Italian Legislative Decree no. 81/08) who meet the legal requirements. Company doctors, based on risk assessment and regulations, define health protocols for health surveillance and subject employees to medical examinations during working hours.

In addition to regular medical examinations, according to the health protocol, examinations are made in the event of hiring, change of job, due to absence for illness/accident of more than 60 days and upon request to the doctor by the worker. The frequency and type of examinations are contained in the health protocol prepared by the Company Doctors based on the job, age and risk to which the employee is exposed. Health surveillance expenses are borne entirely by the relevant company.

In the head offices of the Parent Company and in the premises of Group companies, a room hosts the infirmary and is used by doctors on a weekly or on-demand basis. Blood tests and specialist exams, which take place on the prescription of the company doctors, are entrusted by the Group to external medical laboratories based on an agreement. Personnel are invited to attend the medical examination within the time limits laid down in the regulations, by means of individual written communications from the Health and Safety Service.

All health data is processed in accordance with current legislation and remains with the company doctors.

Health surveillance includes the prevention of occupational diseases that the worker could contract in carrying out their activity. 18 Applications were received in 2024 for the recognition of occupational diseases by Group employees or former Group employees, all in the environmental area.

It is believed that the jobs most exposed to risks are those of the environmental sectors or in any case operational.

Meetings are scheduled at least once a year involving the Employers, the Health and Safety Service, company doctors and workers' safety representatives to manage potential problems related to workers' health and safety. During the meetings, an analysis is made of the Risk Assessment Document, the trends of accidents, occupational diseases and health surveillance, as well as the suitability of the PPE provided and the personnel safety training programmes.

It is extremely important for each employee to be aware of the risks to which they are exposed in their activities; this awareness is also gained by participating in safety training organised by the Company. The Group is strongly committed to involving employees, on all levels, in safety training to spread the culture. Though to a limited extent, the traditional meetings with the operational contact persons have resumed, in which accidents and near misses in the Group in the previous year are analysed together with the Head of the Health and Safety Service.

3.2 Workers in the value chain – ESRS S2

3.2.1 Strategy

[ESRS_2, DR SBM-3, DP 11, 11a, 11b, 11c, 11d, 12, 13]

[ESRS_2, DR SBM-3, DP 48a]

The following table lists the impacts, risks, and opportunities related to workers in the value chain that the AGSM AIM Group identified and assessed as material following its Double Materiality Analysis (DMA) conducted in 2024, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S2	Secure employment	Potential inadequate protection of workers in temporary employment, lacking a contract, or facing non-compliance with contractual terms, leading to insufficient safeguards and exposure to financial insecurity.	Potential negative impact	Short, Medium and Long Term	✓		✓
S2	Health and safety	In the construction and maintenance of electricity and gas transmission and distribution lines, workers are exposed to prolonged periods of work at height or underground, the use of heavy machinery, and the risk of electrocution or explosion, which negatively impacts their physical safety and mental wellbeing.	Potential negative impact	Short, Medium and Long Term	✓		
S2	Health and safety	Workers in the fuel cell and industrial battery sector are exposed to risks to human health, including solvents, corrosive substances, lead (and its compounds), arsenic (and its compounds), cadmium, and sulphuric acid, as well as known or suspected carcinogenic, teratogenic, and mutagenic substances. They also face potentially hazardous working conditions that may result in fires, explosions, frostbite burns, and electrocution.	Potential negative impact	Short and medium term	✓		
S2	Health and safety	Operation and maintenance (O&M) services for wind farms carried out by third-party providers, including turbine installation, maintenance, monitoring, and repair, are subject to high safety standards due to the inherent hazards of the work, particularly working at height. This poses a potential negative impact on worker safety and the environment.	Potential negative impact	Short and medium term	✓		
S2	Child labour	The employment of child labour, contrary to international law, is a serious concern in high-risk countries with weaker regulatory enforcement. This situation constitutes a serious violation of human rights and harms the proper development of children.	Potential negative impact	Short and medium term	✓		
S2	Forced labour	Forced labour, which violates international law, is a major concern in high-risk countries where regulatory enforcement is weak. Notably, this includes components originating from China and materials used in solar panel production. This situation is a serious violation of human rights and harms the health and safety of workers.	Potential negative impact	Short and medium term	✓		
S2	Privacy	Failure to protect personal data due to the rise of cybercrime and/or lack of measures to ensure cybersecurity.	Potential negative impact	Short and medium term	✓		✓

Results of the financial materiality assessment

As part of the Double Materiality Analysis process, AGSM AIM has mapped its value chain, identifying the main categories of suppliers and customers involved upstream and downstream. This analysis has highlighted certain specific features, appropriately assessed, related to the identified risks and negative impacts.

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S2	Health and safety	Workplace accidents in cases of contracting or subcontracting due to ineffective supervision by managers or contract representatives, which could lead to reputational and financial damage (such as legal disputes and extra costs for finding new suppliers)	Risk	Short, Medium and Long Term	✓		
S2	Secure employment	Poor management of supplier relationships and failure to monitor social issues (such as unpaid overtime, insecure work contracts, etc.) can cause reputational damage and lead to loss of trust from stakeholders	Risk	Short, Medium and Long Term	✓		
S2	Child labour	Risk of financial losses or damage that may arise from the violation of the fundamental rights of working-age individuals. This risk arises when suppliers and business partners fail to comply with current regulations prohibiting child labour. Failure to comply with such regulations can lead to serious financial consequences and damage to the company's reputation. This situation could pose a risk to AGSM AIM in terms of supply disruption and impact on its production activities.	Risk	Short, Medium and Long Term	✓		
S2	Forced labour	Risk of financial loss or damage arising from violations of fundamental rights in the workplace. This risk arises when suppliers and business partners fail to comply with current regulations prohibiting forced labour. Failure to comply with such regulations can lead to serious financial consequences and damage to the company's reputation. This situation could pose a risk to AGSM AIM in terms of supply disruption and impact on its production activities.	Risk	Short, Medium and Long Term	✓		
S2	Privacy	Failure or inadequate management of confidentiality and data protection regulations (GDPR 679/2016) that could lead to litigation with a critical financial impact on the Group	Risk	Short and medium term	✓		

Specifically, regarding the risks and negative impacts related to child labour and forced labour, workers employed in non-EU companies are considered at greater risk, as they are not subject to the current European regulations protecting workers' rights. Regarding health and safety at work, workers considered most at risk are those performing tasks involving long periods working at heights, such as in the construction and maintenance of power distribution lines, or those potentially exposed to harmful substances, such as in battery production.

The identified IROs, which refer to isolated incidents and are not systemic in nature, are closely linked to the Group's commitment to promoting responsible management throughout the entire value chain and protecting workers' rights, as detailed in the following paragraph.

3.2.2 Impacts, risks and opportunities management

[ESRS_S2, DR S2-1, DP 17a, 17b, 17c, 18, 19]

[ESRS_S2, DR S2-3, DP 27a, 27b, 27c, 27d, 28, 29]

[ESRS_G1, DR G1-2 DP 15a, 15b]

To manage impacts, risks, and opportunities related to workers in the value chain, the AGSM AIM Group promotes responsible management throughout the entire supply chain by adopting targeted policies that reflect a strong commitment to human rights protection and compliance with international regulations. These principles are clearly stated in the Code of Ethics, the Sustainability Management Policy, and the Human Rights Protection Policy, where AGSM AIM reaffirms its commitment to reject any form of forced, slave, or child labour and to ensure working conditions comply with current legislation, including among its partners and suppliers.

The focus on responsible supply chain management starts from the phase of supplier selection and contracting and continues over time, through regular dialogue, support, monitoring and control activities.

All new suppliers are required to accept the Code of Ethics, Model 231, and the Integrity Pact during the onboarding phase. All suppliers of the Group receive information on the AGSM AIM Group Code of Ethics, where the use of the Group's reporting channels is also encouraged.

The selection of suppliers is carried out in compliance with the principles enshrined in the EU Treaty for the protection of competition and is inspired by principles of impartiality, competence, and cost-effectiveness, as well as principles of transparency and excellence, in compliance with the highest quality standards. The supply relationships are based on compliance with the laws and regulations in force also in the field of labour, human rights, health and safety, environmental protection, the fight against corruption and illegality.

For the acquisition of goods and for the award of the provision of services and the execution of works to third parties, the companies of the AGSM AIM Group are subject, in the respective sectors, to the provisions of Legislative Decree no. 50/2016 as amended ("Public Contracts Code"). Pursuant to Article 36, paragraph 8, of Italian Legislative Decree 50/2016, the AGSM AIM Group has adopted its *"Company Regulation for works, services and supply contracts for an amount below the EU threshold"*.

The internal rules of awards of contract and performance are also inspired by the legislative principles of proportionality, rotation, non-discrimination and equal treatment between economic operators. In order to ensure transparent and effective management of the procedures for awarding works, services and supplies, the AGSM AIM Group has established the "Procurement Portal", a tool for communicating and interacting with suppliers, available on <https://www.agsmait/fornitori>.

Through this Portal, the AGSM AIM Group manages its online Supplier Register, which allows the registration of those who intend to apply and express their interest in being invited to submit bids, without prejudice to the fact that the economic operators are qualified on a case-by-case basis according to the call for tenders.

With a view to absolute transparency, the general conditions of participation and the rules for registration in the Supplier Register and the supplier registration guide are published on the Procurement Portal. In addition, an online technical assistance service is provided to use the Portal for operators who request it.

The economic operators to be consulted are identified on the basis of information regarding compliance with requirements related to general qualification, professional ethics, characteristics of economic-financial and technical-organisational qualification, and in particular, minimum environmental requirements.

For some types of supplies and services, the AGSM AIM Group Companies require potential suppliers, within reason and where permitted, to possess specific technical, organisational and economic-financial skills, as objective as possible and always proportionate to the nature and the subject of the contracts, as well as, more and more frequently, to prove the fulfilment of and compliance with the management standards issued on the basis of the European standards of the UNI EN ISO series relating to systems for managing quality, health and safety, environment, etc.

The inclusion in the Supplier Register is, in any case, subject to the prior acceptance of and compliance with the Integrity Agreement, the Code of Ethics and the Organisation, Management and Control Model adopted pursuant to Italian

Legislative Decree no. 231/2001 which constitute the necessary and indispensable prerequisite for contracting with the AGSM AIM Group.

The AGSM AIM Group is promoting the dissemination and awareness of sustainable topics and criteria related to procurement and contracting, especially for specific types of purchases and projects, including through the application of Minimum Environmental Criteria (CAM), which are necessary for a contract to be classified as “green” according to the guidelines of the National Action Plan for Green Public Procurement (PAN-GPP).

For the AGSM AIM Group it is especially important to spread knowledge and use of quality, safety and environment certifications, not only referred to products and services but also within the scope of other processes and projects (a requirement that is now consolidating in many tenders) through ISO 9001:2015, ISO 14000:2015 and ISO 45001:2018 certifications.

AGSM AIM prefers the choice of qualified, reliable suppliers and, where possible, located in its reference territory. Support for local production is, in fact, an integral part of the Group's commitment to the communities where it operates, in order to foster the development of the local economy, promoting the creation of shared value.

As of 31 December 2024, the Group has not identified any events related to negative impacts directly or indirectly caused to workers within its value chain.

If potential impact areas are identified, AGSM AIM commits to addressing any adverse situations promptly, in accordance with the **Reporting Policy** adopted by the AGSM AIM Group, compliant with Legislative Decree No. 24/2023 (known as the *Whistleblowing Decree*).

Procurement management

The requirements to participate in tenders are related to professional competence as well as to the priority compliance with the requirements of professional ethics. It is also generally required to meet requirements relating to economic and financial standing, and technical and professional suitability. With reference to tenders concerning waste disposal, the legal authorisations required from the contractor for the transport, storage and disposal of waste, both with regard to the vehicles used and the plants of destination, are always verified so as to ascertain the legal suitability to operate with total respect for the environment.

Tenders are mainly awarded based on the best price, or alternatively on the economically most advantageous offer (best value for money) based on both technical and economic criteria that consider the different parameters depending on the type and characteristics of the awards.

The Group companies undertake to inform the supplier in a correct and timely manner regarding the characteristics of the contracts, the payment methods and times in compliance with current regulations and internal accounting procedures, contents and contractual clauses in general. The AGSM AIM Group guarantees its contractors that the performance of the contract is carried out in a manner consistent with the principles of equality, fairness, diligence and good faith in compliance with current legislation, the contracts signed and company procedures.

The professional and technical suitability of contractors or subcontractors in relation to works, services and supplies to be awarded under a tender, by works contract or manpower supply contract, is scrupulously verified, providing companies with detailed information on specific risks in the environment in which they are intended to operate and on the preventive and emergency measures taken in relation to their activities. The supplier companies cooperate in the implementation of the measures designed to prevent and protect from risks on the work site that have an impact on the work activity subject to contract, coordinate the operations aimed at the protection from and prevention of the risks to which the workers are exposed, thereby exchanging information, in order to eliminate risks due to interference between the activities of the different companies involved in the performance of the overall work (Articles 14 and 26 of Legislative Decree 81/2008).

In the awarding of tenders relating above all to companies operating in the environmental field (e.g. Valore Ambiente, SIA, etc.), if considered appropriate also on the basis of the movement of the vehicles involved, the containment of the movement of vehicles within the territory and the homologation classes referring to the emissions into the atmosphere of the discharges are often evaluated in rewarding terms. The aim of the valuation criteria is to reduce atmospheric emissions and hence air pollution as much as possible. Considering the extent of the movements and the use of means for collecting and transporting waste for disposal, this criterion is particularly effective in terms of respect for the environment and with a view to sustainability.

[ESRS 2 S2-4 DP 32 a, 32 b, 32 c, 32 d, 33 a, 33 b, 33 c, 34 a, 34 b, 35, 36, 38]

As described in this paragraph, the AGSM AIM Group is continuously committed to ensuring that no negative impacts occur along its supply chain, particularly with regard to operational activities carried out in situations presenting risks of interference. This commitment is primarily put into practice through the adoption of control and prevention tools, such as the Code of Ethics and the Organisation, Management and Control Model required by Legislative Decree 231/2001, along with procedures and operational instructions adopted within the ISO 45001 occupational health and safety management system, which define the expected behaviours and integrity criteria for business partners. Where deemed appropriate, suppliers are required to provide their services and work only if they hold equivalent certifications and adopt international standards.

Aware of the ongoing changes in the social and regulatory context, the Group plans to further strengthen its approach in the future by developing new actions and monitoring tools to promote sustainable practices throughout the entire value chain and enhance the protection of workers' rights.

During the year, no serious issues or incidents related to human rights connected to the upstream and downstream value chain were reported.

3.2.3 Metrics and targets

[ESRS 2 S2-5 DP 42a, 42b, 42c]

Although quantitative targets regarding workers in the value chain have not yet been established, the AGSM AIM Group considers it essential to adopt a proactive approach and reserves the right to identify and incorporate specific objectives in a later phase following this report.

3.3 Affected Communities – ESRS S3

3.3.1 Strategy

[ESRS_2, DR SBM-3, DP 8a, 8b, 9, 10, 11]

[ESRS_2, DR SBM-3, DP 48a]

The following table lists the impacts, risks, and opportunities related to affected communities that the AGSM AIM Group has identified and assessed as material following its Double Materiality Analysis (DMA) conducted in 2024, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S3	Water and sanitation	Leachate leakage from landfills can negatively impact local communities' water and sanitation services, as it may contain hazardous chemicals that, if reaching groundwater, could contaminate drinking water supplies.	Potential negative impact	Short and medium term		✓	
S3	Free, prior and informed consent	The lack of involvement and communication with local communities about the acquisition, planning, and construction of buildings and facilities, as well as the management or closure of sites or plants, can lead to negative impacts on communities and social conflicts.	Potential negative impact	Medium and Long Term	✓	✓	

Results of the financial materiality assessment

As part of the Double Materiality Analysis process, AGSM AIM has mapped its value chain, identifying the local communities

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S3	Land-related impacts	The inability to manage and reduce the ecological impacts associated with the Group's operations (such as air pollutants, odours, etc., emitted from landfills, management activities, and treatment plants) could cause dissatisfaction in the local community, resulting in reputational damage.	Risk	Medium and Long Term		✓	
S3	Free, prior and informed consent	The absence of free, prior, and informed consent can lead to strong opposition from local communities (e.g. NIMBY and NIMTO phenomena) against the design and construction of facilities, including wind and solar plants. This risk may arise from environmental, social, or economic concerns related to the company's projects. Community resistance may manifest through protests, petitions, legal actions, or requests for project modifications.	Risk	Short, Medium and Long Term		✓	

affected by its activities and those of upstream and downstream stakeholders. The analysis revealed that significant negative impacts and risks mainly affect communities living or working near the company's and suppliers' operational sites.

For further information on the mitigation measures adopted by the Group regarding the negative impact of leachate leakage from landfills, please refer to chapter "2.2 Pollution – ESR2".

The identified IROs refer to isolated incidents and do not exhibit a systemic nature.

3.3.2 Impacts, risks and opportunities management

[ESRS_S3, DR S3-1, DP 15, 16, 17]

[ESRS_S3, DR S3-2, DP 21, 22, 23]

[ESRS_S3, DR S3-3, DP 27]

[ESRS_S3, DR S3-4, DP 32, 33, 34, 35, 36, 38]

AGSM AIM supports the economic development and growth of people living in the areas where the Group operates by creating job opportunities and prioritising the selection of local suppliers, where possible, consistent with operational needs and economic viability.

Although it currently lacks a specific policy regarding affected communities, the Group is committed to enhancing the economic, social, and cultural development and well-being of the communities in which it operates through sponsorships and donations, investing in projects that can create a positive impact on people. The initiatives in the area, partly funded by AGSM AIM, aim to protect and enhance the historical and cultural heritage, as well as to promote education and training for young people in the fields of academics, music, and sports.

During 2024, the Group played an active role in promoting and supporting several significant cultural, sporting, social, musical, and environmental events of both local and national importance, with a **financial commitment of Euro 1.1 million**.

Each year, to maintain a strong connection with the community, AGSM AIM Group prioritises backing small cultural organisations, amateur sports clubs and associations for people with disabilities, non-profits, and groups dedicated to promoting local traditions.

The initiatives in the territory, supported by AGSM AIM, aim to protect and showcase the historical and cultural heritage, as well as encourage the education and training of young people and sports activities.

The criteria used for allocating financial resources through sponsorships and donations adhere to the principles set out in the Guidelines for the Management of Sponsorships and Donations.

The AGSM AIM Group is committed to maintaining ongoing dialogue with its stakeholders, including through its support and participation in local events. If potential impact areas are identified, AGSM AIM commits to addressing any adverse situations promptly, in accordance with the Reporting Policy adopted by the AGSM AIM Group, compliant with Legislative Decree No. 24/2023 (known as the Whistleblowing Decree).

During the year, no human rights incidents were reported in the local communities near the facilities and operational areas.

Social Initiatives

During 2024, the AGSM AIM Group participated in numerous solidarity initiatives in favour of people and families in difficulty, becoming a reference point in the social sustainability of the Verona and Vicenza area. AGSM AIM has also supported numerous associations and social initiatives, including the State Police campaign "This is Not Love," La Grande Sfida Onlus, the Pia Società di Don Nicola Mazza, Pope Francis's visit to Verona, the 2024 National Route of AGESCI Community Leaders, the photography course for blind and visually impaired people promoted by UICI Verona, LILT Verona, and Movember Verona.

Photography course for blind and visually impaired people

AGSM AIM supported the organisation of a photography course promoted by the Italian Union of the Blind and Visually Impaired in Verona, led by photographer Sergio Maria Visciano. The exhibition titled "Fotografia al Buio" [Dark Photography] showcased about twenty photographs taken by visually impaired and blind people, displayed both at the National Archaeological Museum of Verona and in the AGSM AIM Energia customer area.

"La Grande Sfida International - Abbiamo bisogno di noi" (The Great International Challenge - We need us)

The initiative, now in its twenty-ninth edition, aims to bring people together through their common passions for sport, art, culture, the spiritual dimension and work. The event is a meeting point between the world of disability and the associative, cultural, educational, institutional, administrative, religious and economic realities of the territory, fostering relationships of mutual understanding and respect.

LILT Verona

In October 2024, AGSM AIM joined the breast cancer awareness campaign promoted by the Italian League for the Fight Against Cancer (LILT). Through an initiative aimed at promoting a culture of prevention, the AGSM AIM Group adorned its social media channels and employees with the pink ribbon, symbolising the fight against breast cancer.

Movember Verona

The AGSM AIM Group supported the association Anymaul in organising awareness, information, and fundraising activities for prostate and testicular cancer prevention and research, developed for the Movember campaign. AGSM AIM supported the cause with a contribution to the association's activities, helping to spread its message within the Group.

Pia Società of Don Nicola Mazza

In September 2024, the AGSM AIM Group formed a partnership with the Pia Società of Don Nicola Mazza to support a scholarship project for young children of immigrants. The initiative aims to ease the school and social integration of boys and girls by offering quality educational opportunities starting from the 2024/2025 academic year.

"Questo non è amore"

The AGSM AIM Group supported the Italian State Police's institutional campaign "Questo non è amore," a project promoting concrete actions and initiatives locally to combat all forms of violence against women. In November 2024, AGSM AIM lit up the Verona Police Headquarters building in orange to raise awareness about gender-based violence. Additionally, to mark the International Day for the Elimination of Violence against Women, on 25 November, the Group supported the State Police initiative that involved the distribution of red gerberas, a flower symbolising the fight against gender-based violence. A simple yet meaningful gesture to reaffirm AGSM AIM's commitment to promoting respect and raising awareness on an issue of vital importance.

AGESCI's 2024 National Route for Scout Community Leaders

The AGSM AIM Group, always attentive to the local area and community, was a sponsor of the 2024 National Route of Community Leaders organised by AGESCI (Association of Italian Catholic Guides and Scouts). The event, held in Verona in August 2024, welcomed over 18,000 scout leaders from across Italy, engaged in a journey of sharing and personal growth. On this occasion, the Group offered its services as a network provider, delivering technological assistance.

Pope Francis' visit to Verona

The AGSM AIM Group, in preparation for and in support of Pope Francis's visit to Verona on 18 May 2024, completed a significant series of infrastructure upgrades. In particular, AGSM AIM, through its companies V-Reti, AGSM AIM Smart Solutions, and AGSM AIM Energia, implemented major improvements to the electrical lines and connectivity services, installed new security cameras, provided thirteen electric charging stations for the Pope's delegation, and supplied electricity for the many activities linked to the event.

Cultural Initiatives

The AGSM AIM Group has been a key partner and supporter of numerous cultural initiatives and associations, including the Fondazione Teatro Comunale Città di Vicenza, Festival Vicenza in Lirica, Festival Biblico, Festival della Bellezza, Mura Festival, Tocatì, Divertiamoci a Teatro 2024/2025, and Be Popular.

Tocatì - International festival of street games

The AGSM AIM Group supported and actively participated in the twenty-second edition of Tocatì – International Festival of Street Games.

The Festival, organised by the Associazione Giochi Antichi (AGA), adopts a sustainable management system certified in accordance with the ISO 20121 international standard "Sustainable event management", which defines the sustainability requirements for the event and all related activities.

AGSM AIM staff welcomed children to their stand, offering sustainability-themed games and activities. More than 500 children, and not only, had fun with "VOLTami", the memory game of AGSM AIM that led them to get to know the Group's production plants, or "Gioca con AGSM AIM" [Play with AGSM AIM], a booklet of crosswords, labyrinths and much more about the world of energy and the environment. These were followed by "I goals di AGSM AIM" [The goals of AGSM AIM], an interactive game to discover the Sustainable Development Goals to which AGSM AIM contributes.

Musical Events

The AGSM AIM Group has supported numerous musical associations and initiatives, including the Verona Piano Festival, Rumors Festival Verona Jazz, Vicenza in Festival, and Incontro sulla Tastiera.

Sporting Events

AGSM AIM, always promoting sport as a metaphor for clean energy, supported several sports groups in the Verona and Vicenza areas throughout 2024, also backing amateur clubs and organisations for people with disabilities. Among the main sponsorships in 2024 are Scaligera Basket, Team BMX Verona, StraVicenza, StraVerona, Rugby Vicenza, and Tennis Palladio.

Scaligera Basket

AGSM AIM and Scaligera Basket have jointly developed numerous social projects. "Become a Giant" involved over 60 classes from Verona and the surrounding area, introducing the ethics of sport and basketball to around 5,000 primary and lower secondary school children. "Every Pair Counts" was a collection of used shoes, later donated to people in need through the Caritas network. "We Want Some Basket" brought together young people with disabilities, asylum seekers, vulnerable individuals, and those in recovery from addiction, offering them a shared space to grow together, overcome differences, and develop new skills.

Team BMX Verona

Following a three-year partnership agreement, AGSM AIM has lent its name to the sports facility of Team BMX Verona, a flagship in the national and international BMX scene. The Group also supports the activities of Team BMX, reaffirming its strong commitment to local communities and sports development.

AGSM AIM Educational

Dorotea and Luigi

"Dorotea and Luigi" is a series of illustrated stories for children through which the Group aims to raise awareness among the youngest about renewable energy topics, telling the adventures of the heroine Dorotea and her cat Luigi. Two fairy tales were created in 2024: "Dorotea and Luigi – The Gift of Flò" and "Dorotea and Luigi – The Gift of Termos". Both were distributed as gifts to over 500 nurseries and kindergartens in Verona, Vicenza, and their provinces, as well as to library networks and the paediatric departments of hospitals in Verona and Vicenza. The decision to target children in nurseries and kindergartens forms part of a clear and forward-thinking strategy aimed at introducing the youngest generations, from an early age, to the fundamental concepts of renewable energy, pollution, resource scarcity, and conservation.

Giornate della Didattica

The AGSM AIM Group took part in the "Teaching Day" event, held on Tuesday, 10 September 2024, which marked its 22nd edition and was organised by the Municipality of Verona. It was an opportunity to provide teachers and families with information and materials about guided tours organised by AGSM AIM to its energy production plants and the educational lessons conducted directly in the classroom.

Guided tours of the plants

Again in 2024, AGSM AIM opened its energy production plants to local schools. During the year, a total of 400 students visited the power plants, including the Rivoli wind farm, the Borgo Trento cogeneration plant, the Chievo dam, and the Tombetta hydroelectric facility. The students were welcomed by AGSM AIM staff who illustrated, following a didactic path, the peculiarities and characteristics of the various systems. A kit of eco-sustainable gadgets was designed for all the visitors and handed out at the end of the visits.

In addition, over 500 primary and secondary school students participated in classroom teaching workshops, aimed at exploring issues such as the recycling of raw materials and energy processes. During the laboratories only waste materials were used to make small useful products.

Awards and Recognitions

Credit Reputation Award 2024

The AGSM AIM Group won the prestigious "CRAward," granted by MF Centrale Risk Spa — a company specialising in credit analysis — to businesses recognised for their punctuality and reliability with banks and financial intermediaries. The award was given based on a specific evaluation model that analysed the periodic reports submitted to the Central Credit Register («CR») of the Bank of Italy. AGSM AIM ranked among the top 20 Big companies (with a turnover exceeding 250 million Euro) present at the event.

Felix Industry Award

The Industria Felix award, presented by the economic and financial magazine "Industria Felix Magazine" as a supplement to "Il Sole 24 Ore," honours the most competitive companies in terms of management and finance. Among these is AGSM AIM Energia, awarded for being one of the top companies in the energy and utility sectors based on managerial performance and financial reliability according to Cerved.

Events

AGSM AIM Energia Convention

At the end of the year, AGSM AIM Energia organised two conventions as opportunities for discussion with its commercial partners and resellers. They were opportunities to explore the future of the energy sector and strengthen relationships with partners, essential for providing comprehensive support to customers.

Sustainability in Utilities: ESG Indicators as a Strategic Opportunity

AGSM AIM hosted the conference organised by Confservizi titled "Sustainability in Utilities: ESG Indicators as a Strategic Opportunity" at its headquarters. Among the speakers was Andrea Andreoli, Head of Risk Management & ESG, who spoke on "AGSM AIM's Path to Sustainability".

The 1,000 Best-Performing Companies in the Province of Verona

In November 2024, AGSM AIM hosted the awards ceremony for the 1,000 best-performing companies in the province of Verona at its headquarters. The event was an important occasion to celebrate the region's business excellence, recognising companies that have stood out in recent years for their growth, profitability, and financial stability, despite the challenges of the economic climate. Among the speakers was also Federico Testa, Chairperson of AGSM AIM.

Annual Workshop of the Agici-Accenture Utilities Observatory

In 2024, AGSM AIM took part in the Annual Workshop of the Agici-Accenture Utilities Observatory on "Utilities in the Era of Generative AI: Optimisation, Competitiveness and Asset Management," as well as in the event "Net Zero Economy by 2050: Mirage or Reality?", which presented Agici's 2024 OIR Report.

We Next

On 16 December 2024, AGSM AIM officially kicked off "We Next," the programme aimed at preparing its 2025–30 business plan. To mark the beginning of this important project, an event was held at Rocca Sveva in Soave (VR), bringing together the Group's managers for a day of discussion on strategic topics such as the energy transition, corporate reputation, business sustainability, and the role of people in driving change.

External Communication

At the start of the year, the Communication and Strategic Marketing Office managed communications regarding the end of the regulated gas and electricity market, preparing and widely distributing specific information to customers through both physical and digital channels. In the special program "AGSM AIM informa" (AGSM AIM informs), in fact, attention was paid to how to manage this transition, with the indication of due dates, offers proposed by AGSM AIM on the free market and vulnerability management.

Throughout the year, communication activities continued to support all initiatives and projects carried out by the Group and its Business Units, including event management, educational programmes, websites and social media, sponsorships, and donations. During the year, three marketing campaigns were launched to introduce three products to the market: Eco Luce, Pura, and Scudo Casa.

During 2024, about 85 press releases of various kinds were produced, which generated more than 100 television services directly or indirectly, and more than 1,800 articles in the local and national press.

Over 900 pieces of content were published on AGSM AIM's official social media channels, reaching a total of more than 1.2 million impressions.

3.3.3 Metrics and targets

[ESRs S3-5 DP 42, a, b, c]

Social issues lie at the heart of AGSM AIM Group's sustainability strategy, which not only commits to respecting the rights of local communities involved but also aims to create a positive impact on people, communities, and the territories in which it operates. This commitment will be further strengthened in upcoming reporting periods through the definition of

specific quantitative targets on the subject and thanks to the establishment of the AGSM AIM Foundation starting from the 2025 financial year.

The AGSM AIM Foundation will be established with the aim of supporting development projects for the territories and communities of Verona and Vicenza in social, educational, and cultural fields, with particular focus also on environmental sustainability. The Foundation will operate particularly through three lines of action called: energies for education, energies for the community, and energies for culture.

3.4 Consumers and end users – ESRS S4

[ESRS_2, DR SBM-3, DP 9a, 9b, 10, 11, 12]

[ESRS_2, DR SBM-3, DP 48a]

The following table lists the impacts, risks, and opportunities related to consumers and end users that the AGSM AIM Group has identified and assessed as relevant following its Double Materiality Analysis (DMA) conducted in 2024, as described in paragraph 1.3 Relevant Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S4	Privacy	Impact related to the loss of sensitive data and information of customers and commercial partners, and the breach of their confidentiality.	Potential negative impact	Short and medium term		✓	✓
S4	Access (quality) information to	The adoption of smart applications, enabling real-time monitoring of consumption, and the implementation of home automation solutions can have a positive impact by educating customers towards more conscious and sustainable consumption, improving energy efficiency, and reducing waste.	Potential positive impact	Short and medium term		✓	✓

Results of the financial materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
S4	Access (quality) information to	Opportunity linked to the development and implementation of digital solutions to enhance operational efficiency (for example, through network digitisation) and the customer experience, improving customer satisfaction and loyalty, and promoting the development of new services and offers aligned with evolving consumer needs and behaviours.	Opportunity	Short, Medium and Long Term		✓	

The significant negative impact identified concerns users of AGSM AIM's services, who may be exposed to potential risks related to the confidentiality and protection of personal data. These are isolated, non-systemic events that fall within incident scenarios and are managed through appropriate control measures.

The positive impact, on the other hand, affects the entire customer base and is evident in improved service accessibility as well as support for the sustainable transition. This impact is closely linked to the opportunity to increase operational efficiency and optimise the user experience, also thanks to the growing digitisation of processes.

The projects initiated by the Group, described in the following paragraphs, have enabled these aspects to be managed in a comprehensive manner, benefiting all customer categories.

3.4.1 Strategy

The AGSM AIM Group pays great attention to the needs of its customers, constantly striving to provide high-quality, safe and reliable services, acting with flexibility and willingness to meet customers' expectations and adopting professional, correct and transparent communication practices.

The AGSM AIM Group, through its Business Units, guarantees its customers equal rights, equal treatment and non-discrimination. The Group is highly committed to rendering information about its services simple and readily available. These are the key underlying principles that the Group follows in order to ensure that customer relations are long-lasting, through the adoption of a variety of channels of communication with customers.

The Group has undertaken to comply with general and specific quality standards, and to constantly improve the services provided through technological, organisational and procedural solutions designed to further the effectiveness and efficiency of its operations.

3.4.2 Impacts, risks and opportunities management

[ESRS_S4, DR S4-1, DP 15, 16a, 16b, 16c, 17]

[ESRS_S4, DR S4-4, DP 31 a, 31 b, 31 c, 31 d, 32 a, 32 b, 32 c, 33 a, 33 b, 34, 35, 37]

Protection of Confidentiality

In order to protect the personal data and privacy of all individuals the Group interacts with, and in accordance with the provisions of the General Data Protection Regulation ("EU Regulation 2016/679" or "GDPR"), the AGSM AIM Group has adopted a privacy governance system, which also applies to those who operate directly or indirectly on behalf of the Group, and includes, among other things, the fulfilment of the following obligations:

- the definition of roles and responsibilities within the Group, including the identification of the Data Protection Officer ("DPO") and the persons authorised for the processing (employees of the Group);
- identification and appointment of data processors, i.e. providers that process personal data on behalf of the data controller;
- collection of consent in an explicit and free manner, combined with the use of information provided in a concise, transparent, intelligible and easily accessible form;
- keeping of the records of processing activities pursuant to Article 30 of the GDPR;
- collection and keeping of the list of System Administrators.

Throughout 2024, several targeted training sessions were organised and conducted, primarily aimed at the Compliance function, to deepen understanding of specific topics and ensure effective management of regulatory obligations. The training activities included:

- Specialist training on the application of the GDPR
- Registers of data handling and evaluation of new technological solutions
- Use of software tools for GDPR compliance management
- Assessment and management of potential data breaches (i.e., data losses or unauthorized access)

Finally, specific training was provided on managing security incidents related to personal data, with insights on how to detect, assess and report any data breaches, in compliance with regulatory requirements.

Even during the 2024 fiscal year, the training programme that began in 2022 continued to raise awareness among those working for the Group on the topic of Cyber Security.

During the reporting period, a data breach occurred involving the company AGSM AIM Energia, significant enough to require notification to the Data Protection Authority and the affected individuals.

No GDPR-related penalties were imposed on Group companies during 2024.

During 2024, a total of 43 requests to exercise the rights were received from data subjects pursuant to Articles 15-22 of the GDPR (access to personal data, exercise of the right to be forgotten, etc.).

Protection of Transparency

AGSM AIM’s commitment to transparent management of relationships with customers and end consumers is outlined in the Group’s Code of Ethics, which sets out the values and principles of fair professionalism for its commercial policies. The Code of Ethics also reiterates that communications with customers must be clear, simple, and expressed in language as close as possible to that of the customers, as well as compliant with current legislation and guidelines from regulatory and supervisory authorities.

AGSM AIM Energia and CogasPiù Energie are the commercial companies of the AGSM AIM Group that carry out the activity of sale and after-sale of electricity, natural gas and heat (district heating service) supplies for different types of customers. In 2024, the commercial companies served a total of **892,604 customers** divided between electricity, natural gas and heat. Residential customers correspond to 61.3% for electricity supply, 88.6% for gas supply, and 66.6% for district heating services. The remaining customer portfolio is unevenly distributed between large accounts, public administration and resellers.

The marketing campaign of the Group companies is aimed at strengthening their identity in their regions of origin (Veneto and Abruzzo) but also at further strengthening their presence in other regions of Italy, through sales agencies and partnerships with trade associations located throughout Italy. The strong presence in the territory that characterises the AGSM AIM Group is also unequivocally reflected in the customer base and its geographic concentration in the Veneto region.

The Group is present in the area with 16 sales desks located as follows: 14 in Veneto, 1 in Abruzzo and 1 in Lazio and 69 sales agencies active throughout the country.

In order to ensure a widespread presence in the area, thanks to the partnership with local businesses, AGSM AIM Energia makes 8 indirect stores (AGSM AIM Shop) available to its customers where it is possible to request advice on bills received or sign up to the commercial offers proposed by the Group.

In the 16 sales desks, customers can find numerous information leaflets concerning the self-reading service, digital services, consumer education campaigns and a host of promotions active in the electricity and natural gas market.

“AGSM AIM al Volante” (AGSM AIM in the driving seat) is a campaign that aims to provide assistance to AGSM AIM customers, and not only, for everything related to the world of electricity and gas thanks to the camper used as a real mobile office. The mobile desk visits in several locations in the province of Verona, covering the most important markets in the area, according to a dense and constantly updated calendar.

During the reporting period, the commercial desks of the AGSM AIM Group served 78,979 customers, representing a 28.9% increase compared to the previous year. The increasing number of cases handled and, consequently, customers served is mainly due to the activation of a new desk at the Verona desk which has enabled the recording of clients visiting the desk for quick services, such as printing and paying bills.

Access to the commercial desks located in Vicenza and Treviso is allowed only by appointment to be made through the website or by calling the toll-free number 800 226 226. This makes it possible to eliminate customer waiting times to manage the file. On the other hand, in the desks located in Verona and the province, an appointment is not required.

The subsidiary CogasPiù Energie has also eliminated waiting times at the desk thanks to adopting a system of customised appointments exclusively for the desk dedicated to bill payments. In the event of urgent cases or for the elderly or the disabled, “traditional” management is always guaranteed, i.e. the possibility of accessing the desk at any time without an appointment.

The average waiting time for non-appointment desks in FY 2024 was:

05:36 min	Verona desk - Single queue
02:50 min	CogasPiù Energie desk - Payment queue

Through the digital applications, it is possible to access the online service desk where, during the reporting period, 280,387 cases were handled (28% fewer than in 2023), representing 72.6% of all cases managed by the sales companies.

In addition to desks, the AGSM AIM Group companies provide customers with the call centre service for which 477,028 calls were received in 2024 (95% of which were successful) with an average waiting time of 119 seconds.

Furthermore, in 2024, 657 video calls were handled through InFace, the video call assistant service that allows the execution of all contractual transactions, using face-to-face assistance with an operator.

By accessing the Customer Area and the "AGSM AIM Energia" app, updated during the previous financial year, customers can independently manage contract procedures, set up direct debit, request bills by email, and update their contact details.

Through the app dedicated to AGSM AIM Energia customers, it is possible to carry out operations such as monitoring consumption through special graphs and self-reading of the gas meter so as to reduce consumption estimates in bills.

From the Customer Area it is also possible to access the historical archive of one's own bills with summary data, amount, due date and date of issue. The customer can also securely pay their bills using the Nexi, PayPal, and MyBank systems to ensure maximum safety in all transactions. By activating notifications within one's own account, it is also possible to receive due notices.

Finally, a special section dedicated entirely to condominium administrators has been implemented in the new digital channels in order to help them when consulting the contracts they manage.

With reference to the subsidiary CogasPiù Energie, by accessing the Customer Area of the website <http://www.cogaspiu.it>, customers can independently send multiple requests for contract management by filling out and sending the prepared forms, self-read their consumption, consult the history of their bills and switch from sending paper bills to digital ones.

For the supply of natural gas and electricity, the sales companies of the AGSM AIM Group issued over 4.5 million bills, of which over 2.4 million were issued electronically, accounting for 54.1% of total bills issued by the Group. The service of sending bills in electronic format is called Bollettaelettronica@ and Vi@Mail. Therefore, by activating this service paper bills are eliminated, with the advantage of having them always available in digital format.

In 2024, 12,127 customers activated this service, contributing to an ongoing paper saving equivalent to 78.4 tonnes of paper.

Each bill, including previous bills, is always available to all customers in a convenient digital archive, accessible through the App and the Customer Area of each company.

Via the Customer Area of the websites and the dedicated Apps, the AGSM AIM Group also gives its customers the possibility of paying bills by credit card or activating payment via SEPA (Single Euro Payments Area) direct debit, facilitating the customer, reducing the movement and printing of documentation, with consequent saving of paper and mailing services.

During 2024, 171,110 bills were paid through websites and Apps, up by 2.3% compared to the previous year.

The Group's commercial companies provide diversified energy offers and tariff plans to meet the needs of the various types of customers. The offers provide benefits in terms of savings through discounts, support services, energy bonuses, electronic billing, online desk and billing based on real consumption.

For electricity, the Group's sales companies have long promoted the choice to serve end customers in the free market with electricity produced from renewable energy sources providing the GO (Guarantee of Origin) certification that proves the green source of production.

AGSM AIM Energia, in fact, launched two campaigns in 2024 aimed at domestic customers, both involving offers that provide certified renewable energy supply:

- **PURA LUCE:** A fixed-price offer for one year where, for the first 12 months, the energy is certified as produced from renewable sources through the Guarantees of Origin system, which ensures that an amount of electricity equivalent to that consumed by the customer has been generated by renewable energy plants.
- **ECO LUCE:** An offer dedicated to customers transitioning from the protected market. The price is aligned with the PUN INDEX GME, which is established in the wholesale market, and the energy is certified as produced from renewable sources through the Guarantees of Origin system.

In September 2024, AGSM AIM Energia also announced the launch of an innovative new offer dedicated to Power Purchase Agreements (PPAs), a solution that simplifies the purchase of renewable energy for companies with significant

consumption (at least 1,000,000 kWh) and allows them to better plan their energy expenditure. A PPA is a long-term contract between a renewable energy supplier and a buyer, whereby the latter commits to purchasing electricity generated from renewable sources. This tool guarantees the market while simultaneously contributing to the reduction of carbon dioxide emissions and the achievement of sustainability goals. The solution allows direct access to renewable energy production through the signing of a PPA contract in a faster and more efficient manner.

AGSM AIM Energia, in any case, offers business customers the option to pair renewable energy with every commercial offer, thereby contributing to environmental protection.

The number of contracts signed in 2024 that include the sale of renewable electricity is 41,639, which corresponds to approximately 16.8% of the total contracts executed.

Also in 2024, AGSM AIM includes gas offers in its product catalogue that focus on sustainability and environmental commitment. Carbon offsetting is a mechanism that allows organisations and individuals to voluntarily offset their CO₂ emissions by supporting emission reduction projects aimed at absorbing or avoiding CO₂. This mechanism is based on the purchase of carbon credits on the reference market.

In 2024, AGSM AIM Energia launched the PURA GAS offer: the gas price is fixed for one year, and for the first 12 months, the CO₂ emissions from the gas supplied to the customer are offset. This offsetting takes place by purchasing certified carbon credits on behalf of the customer, generated by projects that offset the CO₂ emitted, in different ways depending on the project. The projects backed by the company are available at <https://www.agsmaimenergia.it/it/chiamo/impegno-ambientale>.

For natural gas, the number of contracts including CO₂ compensation signed in 2024 was 2,137.

For electricity, households have the following offers available: "MERCATO CASA," where the energy price is aligned with the SNP (Single National Price) formed in the wholesale market; "MERCATO CASA GREEN," which includes, within the price, the supply of electricity certified as produced from renewable sources; "PURA LUCE," a fixed-price offer for one year where, for the first 12 months, the energy is certified as renewable; "SCUDO CASA," an offer combining transparent energy tariffs with a package of services dedicated to home maintenance; and "ECO LUCE," designed for customers coming from the protected market (detailed below).

For the sale of natural gas, the following offers are available: "PURA GAS," with the gas price fixed for one year and including CO₂ compensation for emissions during the first 12 months; "MERCATO CASA GAS," where the gas price is linked to the wholesale market; and "MERCATO CASA GAS COMPENSA CO₂," which includes, within the price, CO₂ compensation through the purchase of carbon credits.

For customers with a VAT number, the following offers are active: "MERCATO IMPRESA" and "SMALL/MEDIUM/LARGE BUSINESS" which envisage the application of an energy component indexed to the average PUN set on the National Electricity Exchange Market. For gas, the "PREMIUM BUSINESS GAS" offer is active, with a gas component indexed to the PSV price.

Effective from 1 July 2024, all non-vulnerable customers who had an electricity supply under the protected tariff regime and had not timely chosen a supplier on the free market were automatically transferred, without any interruption of supply, to the Gradual Protection Service (GPS) with the reference operator identified during the auction phase. The contractual and financial terms of the Gradual Protection Service are defined by ARERA, also based on the outcomes of the competitive procedures.

AGSM AIM sent the information required by law to its customers supplied under the protected market.

Additionally, it arranged the "ECO LUCE" product specifically for all non-vulnerable residential clients.

The electricity protection service remains active for vulnerable customers, specifically those with the following characteristics:

- who are in economically disadvantaged conditions or suffering from serious health issues according to Article 1, paragraph 75, of Law 124/17;
- they must fall within the category of persons with disabilities pursuant to Article 3 of Italian Law no. 104 of 5 February 1992;
- their utilities are located on small, non-interconnected islands;
- their utilities must be located in emergency housing facilities following a disaster;
- they must be over 75 years of age.

[ESRS_S4, DR S4-3, DP 25a, 25b, 25c, 25d, 26]
[ESRS_S4, DR S4-2, DP 20, 21]

With the aim of monitoring the effectiveness of the aforementioned safeguards and improving service quality, the Group provides a Customer Relations Department that handles requests attentively and promptly, including those classified as complaints, in accordance with ARERA.

The objective of the continuous monitoring of complaints by the AGSM AIM Group is to identify critical issues, defining and implementing appropriate corrective actions, with a view to continuous improvement.

In particular, through a specific system, the Customer Relations department manages written requests from customers that are received through various channels, and automatically sends information on the response methods and timing.

Currently, AGSM AIM does not check whether customers are aware of the existence of these channels. However, it ensures their accessibility through appropriate communications and by making all necessary information readily available for their use and for submitting reports. Specifically, a form for submitting complaints or other written reports is available and can be easily found at the desks or on the websites. Alternatively, customers may directly submit the request from the relevant sections of the websites.

The reports received through the various channels of the AGSM AIM Group, relating to the energy services offered, amounted to 9,828 and are broken down as follows:

- 46.4% were requests for information;
- 49.4% were complaints;
- 4.2% were billing adjustment requests.

PROTECTION OF TRANSPARENCY

AGSM AIM always operates in the best interests of its customers: through the "Social Bonus", it promotes saving on electricity and gas expenditure for families in economic hardship and for large families. In particular, through targeted communication and assistance, AGSM AIM supports customers so they can benefit, in the easiest possible way, from the Gas Bonus and the Electricity Bonus: discounts on the bill, introduced by the Government and implemented by the Italian Regulatory Authority for Electricity, Gas and Water (ARERA) with the cooperation of the Municipalities, to guarantee a saving for those families who find themselves in specific difficult circumstances. 122,174 Contracts are eligible for the Electricity and Natural Gas Bonus.

The AGSM AIM Group is careful to evaluate and accommodate requests for extended payment terms for bills where possible, also in those cases not provided for by the Authority.

For the municipalities of Vicenza and Verona, there is also an active partnership with Caritas Diocesana, through the creation of a dedicated fund managed by **Diakonia Onlus and the San Zeno Charity Association Onlus**, which serve as the operational arms of Caritas, to support families facing temporary financial hardship. The objective of the collaboration is to guarantee intervention to support individuals and households in difficulty in paying their electricity and gas bills, in a context of increasing adversity. In 2024, the AGSM AIM Group disbursed Euro 45,167.87 for local families in social and economic hardship via this fund.

In favour of residents in the Municipality of Vicenza, the Group also provided special repayment plans for families in social and economic hardship: an annual agreement is signed with this municipality to help the payment in instalments of electricity and gas bills.

In order to support families in difficulty due to the increase in energy prices, during 2023 AGSM AIM presented offers on the free market called **"Luce Bonus Sostegno", "Gas Bonus Sostegno", "Bonus Sostegno District Heating"** targeting domestic customers with an Equivalent Economic Situation Indicator (ISEE) between Euro 15,000 and Euro 18,000, with less than 4 dependent children and who do not receive a citizenship income or pension. The initiative, which involved about 11,000 users in the provinces of Verona and Vicenza alone, was specifically designed to offer tangible support to those customers who are not entitled to the social bonus but who are facing the sudden surge in the cost of living of which electricity and gas represent two particularly relevant items.

As far as electricity is concerned, the **"Luce Bonus Sostegno"** offer provided for the application of a discount of 3.5 Euro cents on the wholesale energy price corresponding to the PUN - Single National Price - which is the reference price of the Electricity Exchange and indicatively represents the cost price for sales companies. All other tariff components are those established by the Authority for Electricity (ARERA). With regard to **"Gas Bonus Sostegno"**, a discount of 3.5 Euro cents per cubic meter was applied to the PSV (Virtual Trading Point) DA, the price currently adopted by ARERA for gas contracts with greater protection. For customers served by district heating, the bonus allocated is Euro 300.

3.4.3 Metrics and targets

[ESRS_S4, DR S4-5, DP 41a, 41b, 41c]

The Group's initiatives are driven by a constant focus on service quality and customer centrality, with a view to continuous improvement. Although no specific quantitative targets have been set for these aspects to date, the issue is being monitored and the possibility of introducing measurable targets to support the commitments made will be carefully evaluated in future reporting periods.

4. Governance information

4.1 Business conduct – ESRS G1

[ESRS_2, DR IRO-1]
[ESRS_2, DR SBM-3 DP 48a]

The following table lists the impacts, risks, and opportunities related to business conduct that the AGSM AIM Group identified and assessed as materially relevant through its 2024 Double Materiality Analysis (DMA), as described in Section 1.3: Material Sustainability Topics.

Results of the impact materiality assessment

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
G1	Corporate culture	Negative impact on the community due to non-compliance with regulations and ethical standards, compromising business integrity, fair competition, and more.	Potential negative impact	Short, Medium and Long Term	✓	✓	✓
G1	Management of relationships with suppliers including payment practices	Increased negative impacts on the environment, people, and the socio-economic system due to the failure to promote and adopt responsible and sustainable practices within the AGSM AIM Group's supply chain.	Potential negative impact	Short and medium term	✓	✓	
G1	Management of relationships with suppliers including payment practices	Complex management of payment practices within the supply and subcontracting network, with potential delays in payments and/or the use of unlawful methods to speed up processes.	Potential negative impact	Short and medium term	✓	✓	
G1	Prevention and detection including training	Impacts on the wider community resulting from misconduct such as corruption, fraud, extortion, collusion, and money laundering.	Potential negative impact	Short and medium term	✓	✓	✓
G1	Incidents	In conducting its operational and business activities, individuals acting directly or indirectly on behalf of the Group may engage in behaviours that could potentially constitute criminal offences and/or improper conduct, with possible negative impacts on people, the environment, and the socio-economic system in which the organisation operates.	Potential negative impact	Short, Medium and Long Term	✓	✓	✓

ESRS	Sustainability topic	Description	IRO	Time horizons	Value Chain Stage		
					Upstream	Own operations	Downstream
G1	Management of relationships with suppliers including payment practices	Legal non-compliance by one or more suppliers due to insufficient or incomplete monitoring of the required supplier criteria, including in response to regulatory changes and/or shifts in supply parameters. This may lead to disputes with significant financial impact and operational costs associated with securing new supplies to avoid business interruption.	Risk	Short, Medium and Long Term	✓	✓	
G1	Management of relationships with suppliers including payment practices	Non-compliance with purchasing procedures due to delayed or missed awarding/payment (e.g. procurement tenders), resulting in significant financial impact from moderately complex disputes and/or delays in the execution of works or acquisition of goods and services.	Risk	Short, Medium and Long Term		✓	
G1	Protection of whistle-blowers	Risk of sanctions related to the failure or inadequate protection of whistleblowers.	Risk	Short, Medium and Long Term	✓	✓	✓
G1	Prevention and detection including training	The absence of effective anti-corruption policies, inadequate employee training on ethical behaviour, and insufficient internal control systems can lead to undetected corrupt practices. The effects may include potential legal sanctions, reputational damage, and significant financial losses.	Risk	Short, Medium and Long Term	✓	✓	
G1	Incidents	Instances of both internal and external corruption and fraud could lead to negative reputational consequences (loss of trust from stakeholders) and significant financial damage (due to fines and penalties).	Risk	Short, Medium and Long Term	✓	✓	
G1	Management of relationships with suppliers including payment practices	Growing military conflicts and market volatility constitute a substantial risk to worldwide economic stability. These events can cause volatility in financial and commodity markets, negatively impact supply chains, and increase economic uncertainty.	Risk	Short, Medium and Long Term	✓	✓	
G1	Corporate culture	Ineffective cybersecurity protection systems for plant infrastructure that could lead to loss of control of facilities following a cyberattack or ransomware demand. This could result in financial losses due to potential production downtime and operational costs incurred to manage the attack and upgrade the protection system.	Risk	Short, Medium and Long Term	✓	✓	✓

Results of the financial materiality assessment

4.1.1 Governance

[ESRS_2, DR GOV-1, DP 5a, 5b]

The corporate bodies of the AGSM AIM Group play a central role in defining strategic direction and promoting corporate conduct based on the principles of transparency, fairness, and responsibility. The Group's administrative and control bodies, each within their respective responsibilities, ensure careful oversight of legality, ethics, and consistency in corporate conduct, in accordance with the principles of good governance.

The boards of directors/single directors of the Group's companies exercise broad management and strategic guidance powers, drawing on technical and managerial expertise suited to the complexity of the operating environment, while the

control bodies oversee compliance with the law and the effectiveness of the organisational, administrative, and accounting structures.

The multidisciplinary expertise of the administrative and control bodies helps strengthen the Group's ability to operate responsibly and in compliance with current regulations.

For further details regarding the Group's corporate governance, please refer to section "1.4 Sustainability Governance" of this document.

4.1.2 Impacts, risks and opportunities management

Organisation, Management and Control Model pursuant to Legislative Decree 231/2001

[ESRS_G1, DR G1-1, DP 7, 9]

Italian Legislative Decree no. 231 of 8 June 2001 (hereinafter also referred to as "Decree 231"), with its subsequent amendments and extensions of applicability, introduced into the Italian legal system a special form of liability, qualified as "administrative liability for offences", for companies, associations and entities in general, following the commission, in their interest or to their advantage, by a person holding an executive or subordinate position within them, of a criminal offence.

In order to comply with the provisions of Decree 231 and to facilitate compliance with the principles of fairness and ethics in carrying out their businesses, the Parent Company AGSM AIM S.p.A. and the following subsidiaries defined and adopted their Organisation, Management and Control Model (hereinafter also "Model 231").

Pursuant to Decree 231, when adopted by an organisation Model 231 constitutes a criminal defence against any offences committed or attempted by persons in a senior position and/or by employees (subject to management or supervision by senior positions), from which an interest or advantage for the organisation may derive.

For Model 231 to be considered suitable in pursuing the company's exemption from liability, it is constantly updated not only in the event of new regulations, but also due to corporate, organisational and operational developments.

During the 2024 financial year, the update projects for the 231 Models of the subsidiaries AGSM AIM Energia S.p.A., AGSM AIM Smart Solutions S.p.A., and V-Reti S.p.A. continued, involving a review of the risk assessment section and the special parts, while simultaneously conducting an inventory of existing controls aimed at preventing the predicate offences outlined in Decree 231. During the reporting period, the subsidiary AGSM AIM Power adopted the Model 231 covering the general section and disciplinary code, while the risk assessment and special sections are in the process of being developed. Finally, the Model 231 for AGSM AIM Calore is currently being prepared.

Adopting Model 231 by each Group company has also improved the effectiveness and transparency of the Group's operations and thus contributed to preventing lack of transparent information and possible improper conduct by senior positions and employees.

Pursuant to Decree 231, the Parent Company AGSM AIM S.p.A. and the aforementioned companies have appointed their Supervisory Body (hereinafter also "SB") with the task of supervising the effectiveness and proper implementation of the adopted Model 231, through the continuous monitoring of corporate conduct, as well as continuous updating of the functioning of the Model 231, with subsequent periodic updates based on the needs arising from legislative measures or the evolution of the company and corporate organisation.

In compliance with the provisions of Decree 231, an e-mail address was set up for each Supervisory Body to submit any requests for clarification on the interpretation of the indications contained in the Model 231 or reports of suspected violations thereof.

In order to facilitate the effective implementation of the adopted Models 231, the heads of corporate functions were made aware of the methods of periodic transmission of information flows to the SB.

Training on the administrative liability of entities under Legislative Decree 231/2001 is an essential tool for the effective implementation of the Organisation, Management and Control Model adopted by the companies of the AGSM AIM Group.

In this regard, during the previous financial year, the AGSM AIM Group initiated a targeted training programme for Group personnel, which will conclude during the 2025 financial year.

Anti-Corruption Policy

[ESRS_G1, DR G1-1, DP 10b, 10e, 10g, 10h]

[ESRS_G1, DR G1-3, DP 18a, 18c, 21a, 21b, 21c]

Well aware that the fight against corruption is a fundamental value in the pursuit of its business activity, the Parent Company AGSM AIM S.p.A. defined and adopted a Group Anti-Corruption Policy on a voluntary basis that, in coordination with Model 231 and the Group's Code of Ethics, provides a systematic reference framework to combat corruption and aims to disseminate within the Company, as well as to all those who work in favour of or on behalf of the Group member companies, the principles and rules to be followed to exclude any type of direct and indirect, active and passive corruption, including in the form of instigation.

In order to ensure the implementation of its management system to prevent corruption, the AGSM AIM Group carries out a periodic assessment to determine the risks related to corruption. The results of the risk assessment are shown in the annex to the Anti-Corruption Policy.

Pursuant to the Management and Coordination Guidelines, the Anti-Corruption Policy is progressively adopted by all the AGSM AIM Group's subsidiaries that fall within the scope of the consolidated financial statements through their own internal measures.

This Policy is binding for the employees of the companies belonging to the AGSM AIM Group and for third parties. In this regard, the companies shall ensure that it also becomes binding for all those who operate in any capacity in favour of them or on their behalf.

The heads of the various corporate functions also have the task of supervising compliance with the Policy by their employees and adopting measures to prevent, identify and report potential violations.

The company functions most at risk of active and passive corruption, identified during the risk assessment activity, are primarily those that engage with authorities and/or public supervisory and regulatory bodies. Additional at-risk areas include, by way of example and not exhaustively, those related to contracts for works and services, as well as the provision of sponsorships and donations.

In order to promote adequate understanding of the adopted anti-corruption policy, the Group requires all employees to undertake a mandatory anti-corruption training programme, with varying levels of depth determined according to the recipients' roles and their differing degrees of involvement in sensitive activities.

The AGSM AIM Group personnel are trained and informed at the time of hiring and through refresher courses to understand the responsibilities and risks they may face in performing their duties. New hires are provided with a copy of the Anti-Corruption Policy, as well as the Organisational Model pursuant to Legislative Decree 231/2001 and the Group's Code of Ethics. The training covers all corporate functions identified as being at risk of corruption.

The recipients of the Anti-Corruption Policy are also required to report, even anonymously, any violation, even alleged, of the current legislation on preventing corruption or this Anti-Corruption Policy by Group employees, collaborators or third parties operating in favour of or on behalf of Group Companies.

In order to facilitate the receipt of requests for clarification, AGSM AIM has set up the following communication channels:

- ➔ **ORDINARY POST:**
to the attention of the Funzione Compliance (Compliance function) – Lungadige Galtarossa 8, 37133 Verona (VR)
- ➔ **E-MAIL:**
e-mail address compliance@agsmait.it.

Finally, it should be noted that from the second half of 2024, the Parent Company has begun the process of obtaining certification for corruption prevention in accordance with the ISO 37001:2016 standard. The completion of activities, which will involve a review of documentation and certain processes, and the subsequent issuance of the certification, is expected during 2025.

Whistleblowing

[ESRS_G1, DR G1-1, DP 10a, 10c,]

In order to implement European Directive 2019/1937 and related implementing Italian Legislative Decree (the so-called Whistleblowing Decree), the Board of Directors of the Parent Company approved the Whistleblowing Policy containing the management system for receiving and managing the Company's reports.

The Policy aims to regulate the methods of making and managing reports of violations of national or European regulatory provisions that harm the public interest or the integrity of the company, as well as the measures to protect the people who make the reports. A specific internal channel has been set up to report illegal conduct and/or violations, the management of which has been assigned to a third party. Reports can be made in writing, through the specific channel available on the Company's institutional website on the whistleblowing page, or verbally by meeting directly with the channel manager.

This Policy is addressed to all subjects who operate in the company's working context as members of the corporate or control bodies (including persons with the function of Management, administration and control), employees and - as a result of specific clauses – also in favour of third parties who have negotiating relations with the company itself.

In implementation of the Whistleblowing Decree, an internal channel (computerised platform) has also been activated to report illegal conduct and/or violations addressed to the Supervisory Body.

The AGSM AIM Group has entrusted the management of the channel for reports to a third party (hereinafter also "Manager") who is responsible for diligently following up on the report received, first verifying its contents, assessing the existence of the reported facts, the outcome of the investigations and any measures taken.

The channel established for the aforementioned violations and/or unlawful conduct also complies with Article 6 paragraph 2 *bis* of Italian Legislative Decree 231/01.

In compliance with the indications of the Parent Company, the subsidiaries have activated their own specific internal channel to report illegal conduct and/or violations, adopting their own Policy in line with that of the Parent Company.

During 2024, no reports were received with regard to potential offences, crimes or irregular conduct, committed in violation of the Group's Code of Ethics, the Anti-Corruption Policy and Models 231 adopted by Group companies.

4.1.3 Metrics and targets

[ESRS_G1, DR G1-2, DP 15a, 15b]

[ESRS_G1, DR G1-6, DP 33a, 33b, 33c, 33d]

[ESRS_G1, DR G1-4, DP 24a, 24b, 25a, 25b, 25c, 25d]

The AGSM AIM Group manages supplier payments in accordance with uniform criteria and standardised procedures, regardless of contract type, supplier size, or geographical location. The Group sets a payment term of sixty days from receipt of the purchase order, subject to exceptions agreed with individual counterparties.

The contractual terms generally applied to suppliers of goods, services, and works (excluding energy and gas commodities) provide for payment within 60 days of the invoice date. For the current reporting period, the Group estimated an average payment time of 60 days, in line with the contractual terms agreed with counterparties and with no pending legal proceedings in Italy against AGSM AIM Group companies regarding delays in payments to suppliers. The average payment times recorded during the 2024 financial year are consistent with the contractual terms agreed and signed with counterparties. The Group is consistently committed to meeting payment deadlines, particularly in support of small and medium-sized suppliers. It monitors any delays resulting from specific contingent situations (e.g. disputes or procedural anomalies) and works continuously to reduce the average number of payment days by anticipating due dates whenever possible.

During the reporting period, there were no legal proceedings pending in Italy against AGSM AIM Group companies concerning delayed payments to their suppliers.

It is also noted that during the 2024 financial year, the Group recorded no confirmed cases of corruption. For this reason, no actions were taken in response to violations of procedures or rules relating to the prevention of active and passive corruption.

Likewise, in 2024, the Group reported no verified cases of active or passive corruption and no contract terminations or non-renewals with business partners due to breaches linked to such corruption.

Authorities and institutions

[ESRS_G1, DR G1-5, DP 29b, 29c]

The Institutions represent for the AGSM AIM Group a privileged partner with whom to collaborate in the implementation of initiatives designed to generate positive effects on the social and economic fabric of the territory and on the citizens' quality of life, including by virtue of the essential nature of the services provided by the Group and their impact on the communities.

Relations with institutional parties, maintained in accordance with current legislation and the principles of the Code of Ethics, play a fundamental role both socially, with reference to relations with local institutions, sector authorities, trade associations, etc., and economically for the payment of taxes and duties.

AGSM AIM regularly pays the contributions and registration fees due to public and private entities, such as Chambers of Commerce, independent administrative authorities, sector associations and representative bodies.

The AGSM AIM Group also maintains relations with some trade associations by participating and actively collaborating in benchmarking against other companies and to promote regulatory and technological updates, including:

- **Utilitalia**, a federation of companies operating in the water, environment, electricity and gas public services.
- **AIRU** (Associazione Italiana Riscaldamento Urbano), which aims to promote and disseminate the application and innovation of district heating and cooling systems.
- **Confservizi Veneto**, an association that coordinates and promotes the development of local service management companies and encourages the exchange of knowledge and experience, carries out studies, drafts regional law proposals, administrative measures, economic and statistical data and cooperates with other regional associations.
- **ANEV** (Associazione Nazionale Energia del Vento) whose aims include contributing to the promotion and use of wind energy in a balanced relationship between settlements and nature, as well as encouraging research and technological development aimed at using wind resources and the rational use of energy, and the dissemination of correct information based on real data.

The AGSM AIM Group is attentive to compliance with rules and regulations and has no significant litigation proceedings against the Public Administration. AGSM AIM receives contributions from the Public Administration, mainly from CSEA (Cassa Servizi Energetici Ambientali).

Moreover, the AGSM AIM Group does not contribute in any way to the financing of political parties or political and trade union movements, committees and organisations, as well as their representatives and candidates, except for the cases provided for by specific regulations, as set out in the Group's Code of Ethics.

Appendix 1 – European Taxonomy

Models for key performance indicators (KPIs)

Key for interpreting the models of key performance indicators (KPIs)

Activity code: contains the number corresponding to the eco-sustainable activity and the abbreviation of the objective to which the economic activity can make a substantial contribution.

CCM	Climate change mitigation
CCA	Climate change adaptation
WTR	Water and marine resources
CE	Circular economy
PPC	Pollution prevention and control
BIO	Biodiversity and ecosystems

Criteria for substantial contribution

Y	The activity is taxonomy-eligible and aligned with the taxonomy concerning the relevant environmental objective
N	The activity is taxonomy-eligible but not aligned with the taxonomy concerning the relevant environmental objective
EL	The activity is taxonomy-eligible for the relevant objective
N/EL	The activity is taxonomy-non-eligible for the relevant objective

DNSH Criteria (“Do No Significant Harm”).

Y	DNSH criteria are met for the activity in question
N	DNSH criteria are not met for the activity in question

Minimum safeguard criteria

Y	The minimum safeguard criteria are met for the activity in question
N	The minimum safeguard criteria are not met for the activity in question

Activity Category

E	Enabling activities directly allow other activities to make a substantial contribution to an environmental objective.
T	Transition activities are those for which no low-carbon alternatives currently exist and which have greenhouse gas emissions levels corresponding to the best performance in the sector or industry, as well as meeting the following two conditions: <ul style="list-style-type: none">i. do not hinder the development and deployment of low-carbon alternatives; andii. do not lead to a lock-in of carbon-intensive assets, considering the economic lifetime of those assets.

Share of turnover deriving from products or services associated with economic activities aligned with the taxonomy

Economic activities	Activity code	Revenue	Revenue share	Criteria for substantial contribution					
				Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems
		Thousands of Euro	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL
Electricity generation using solar photovoltaic technology	4_1 CCM	7,571.0	1.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	4_3 CCM	3,113.0	0.4%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	2,601.3	0.3%	Y	N	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	61,050.4	8.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions	5_5 CCM	72,102.8	9.4%	Y	N	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	5_9 CCM	47,597.9	6.2%	Y	N	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	442.4	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7_4 CCM	-	-	-	-	-	-	-	-
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		194,478.9	25.3%	25.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which enabling		61,492.8	8.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which transitional		-	0.0%	0.0%					
Water supply	2_1_WTR	3,230.2	0.4%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Urban wastewater treatment	2_2_WTR	2,016.6	0.3%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/cooling distribution	4_15 CCM	526.2	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	4_29 CCM	1,859.4	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4_30 CCM	1,961.3	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	7_3 CCM	3.8	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Data processing, hosting and related activities	8_1 CCM	3,195.8	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover from taxonomy-eligible but not environmentally sustainable activities (non-aligned activities) (A.2)		12,793.3	1.7%	1.0%	0.0%	0.7%	0.0%	0.0%	0.0%
Turnover from taxonomy-eligible activities (A.1 + A.2)		207,272.2	27.0%	26.4%	0.0%	0.7%	0.0%	0.0%	0.0%
B. Taxonomy-non-eligible activities									
Turnover from non-taxonomy-eligible activities (B)		559,453.7	73.0%						
Total (A + B)		766,725.8	100.0%						

DNSH criteria ("Do No Significant Harm")							Revenue share aligned (A.1.) or eligible (A.2.) to taxonomy, FY 2023	Category enabling activities	Category transitional activities
Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards			
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	1.6%	-	-
Y	Y	Y	Y	Y	Y	Y	0.5%	-	-
Y	Y	Y	Y	Y	Y	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	Y	Y	Y	15.1%	-	-
Y	Y	Y	Y	Y	Y	Y	3.2%	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
-	-	-	-	-	-	-	0.02%	-	-
							20.5%		
							0.5%		
							0.4%		
							0.7%		
							7.0%		
							0.1%		
							2.2%		
							0.4%		
							0.0%		
							0.4%		
							11.6%		
							32.0%		
							68.0%		
							100.0%		

Share of operating expenditure (OPEX) deriving from products or services associated with economic activities aligned with the Taxonomy

				Criteria for substantial contribution					
Economic activities	Activity code	Operating costs	Share of operating costs	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems
		Thousands of Euro	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL
Electricity generation using solar photovoltaic technology	4_1 CCM	885.8	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	4_3 CCM	2,888.6	0.5%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	2,933.3	0.5%	Y	N	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	33,141.0	5.3%	Y	N	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions	5_5 CCM	28,218.3	4.5%	Y	N	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	5_7 CCM	0.8	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	5_9 CCM	17,809.9	2.8%	Y	N	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	157.7	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7_4 CCM	0.6	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Operating costs of eco-sustainable activities (aligned with taxonomy) (A.1)		86,036.0	13.7%	13.7	0.0%	0.0%	0.0%	0.0%	0.0%
Of which enabling		33,299.3	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which transitional		-	0.0%	0.0%					
Water supply	2_1_WTR	2.5	0.0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Urban wastewater treatment	2_2_WTR	-	-	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	1,431.5	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/district cooling distribution	4_15 CCM	925.4	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	4_29 CCM	1,016.2	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4_30 CCM	916.1	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Data processing, hosting and related activities	8_1 CCM	838.8	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Operating costs of taxonomy-eligible but not environmentally sustainable activities (non-aligned activities) (A.2)		5,130.5	0.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating costs of taxonomy-eligible activities (A.1 + A.2)		91,166.6	14.5%	14.5%	0.0%	0.0%	0.0%	0.0%	0.0%
B. Taxonomy-non-eligible activities									
Operating costs of non-taxonomy-eligible activities (B)		536,247.6	85.5%						
Total (A + B)		627,414.1	100.0%						

**DNSH criteria
("Do No Significant Harm"):**

Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Share of operating costs aligned (A.1.) or eligible (A.2.) to taxonomy, FY 2023	Category enabling activities	Category transitional activities
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0.2%	-	-
Y	Y	Y	Y	Y	Y	Y	0.7%	-	-
Y	Y	Y	Y	Y	Y	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	Y	Y	Y	8.3%	-	-
Y	Y	Y	Y	Y	Y	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	0.2%	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	Y	Y	Y	0.0%	E	-
							9.5%		
							-		
							-		
							1.7%		
							6.7%		
							0.2%		
							0.4%		
							0.4%		
							0.2%		
							9.8%		
							19.3%		
							80.7%		
							100.0%		

Share of capital expenditure (Capex) deriving from products or services associated with economic activities aligned with the Taxonomy

				Criteria for substantial contribution					
Economic activities	Activity code	Capital expenditures	Share of capital expenditure	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems
		Thousands of Euro	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL
Electricity generation using solar photovoltaic technology	4_1 CCM	9,841.6	7.3%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	4_3 CCM	5,103.9	3.6%	Y	N	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	203.3	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	44,887.2	31.6%	Y	N	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions	5_5 CCM	14,026.4	9.9%	Y	N	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	5_7 CCM	-	-	Y	N	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	5_9 CCM	6,454.2	4.5%	Y	N	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	6.15 CCM	860.1	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7_4 CCM	-	-	Y	N	N/EL	N/EL	N/EL	N/EL
Operating costs of eco-sustainable activities (aligned with taxonomy) (A.1)		81,376.7	59.9%	59.9	0.0%	0.0%	0.0%	0.0%	0.0%
Of which enabling		45,747.2	33.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which transitional		-	0.0%	0.0%					
Manufacture of hydrogen	3_10 CCM	1,117.3	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	4_5 CCM	573.8	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	4_9 CCM	-	-	EL	N/EL	N/EL	N/EL	N/EL	N/EL
District heating/district cooling distribution	4_15 CCM	1,637.7	1.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	4_29 CCM	639.1	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4_30 CCM	9,657.4	6.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	7_3 CCM	273.6	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Data processing, hosting and related activities	8_1 CCM	1,409.6	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Operating costs of taxonomy-eligible but not environmentally sustainable activities (non-aligned activities) (A.2)		15,308.5	11.3%	11.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating costs of taxonomy-eligible activities (A.1 + A.2)		96,685.2	71.2%	71.2%	0.0%	0.0%	0.0%	0.0%	0.0%
B. Taxonomy-non-eligible activities									
Operating costs of non-taxonomy-eligible activities (B)		39,044.2	28.8%						
Total (A + B)		135,729.4	100.0%						

**DNSh criteria
("Do No Significant Harm"):**

Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Share of operating costs aligned (A.1.) or eligible (A.2.) to taxonomy, FY 2023	Category enabling activities	Category transitional activities
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	1.8%	-	-
Y	Y	Y	Y	Y	Y	Y	0.9%	-	-
Y	Y	Y	Y	Y	Y	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	Y	Y	Y	3.7%	-	-
Y	Y	Y	Y	Y	Y	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	12.4%	-	-
Y	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	Y	Y	Y	1.1%	E	-
							19.9%		
							-		
							0.7%		
							36.5%		
							1.1%		
							0.3%		
							4.2%		
							0.1%		
							1.3%		
							44.2%		
							64.1%		
							35.9%		
							100.0%		

Learn more about electricity production from nuclear and gas activities

Nuclear energy-related activities

NUCLEAR ENERGY RELATED ACTIVITIES

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities

FOSSIL GAS RELATED ACTIVITIES

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

The Power and Heat Business Units are directly involved in the management, redevelopment and energy efficiency of plants for the production of electricity from gaseous fossil fuels, also in cogeneration, and heat for district heating in the cities of Verona and Vicenza.

Economic activities related to nuclear and fossil gas that are eligible but not aligned with the taxonomy

Economic activities		Amount and share					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€/000)	%	Amount (€/000)	%	Amount (€/000)	%
Revenue							
(...)							
4	Amount and share of eligible economic activity but not aligned with the taxonomy referred to in section 4.29 of appendices I and II of delegated regulation (EU) 2021/2139 to the revenue denominator	1,859	14.5%	1,859	14.5%	-	-X
5	Amount and share of eligible economic activity but not aligned with the taxonomy referred to in section 4.30 of appendices I and II of delegated regulation (EU) 2021/2139 to the revenue denominator	1,961	15.3%	1,961	15.3%	-	-X
(...)							
8	Amount and share of other eligible economic activities but not aligned with the taxonomy not included in lines 1 to 6 to the revenue denominator	8,973	70.1%	8,973	70.1%	-	-
9	Total amount and share of eligible economic activities but not aligned with the taxonomy to the revenue denominator	12,793	100.0%	12,793	100.0%	-	-
CapEx							
(...)							
4	Amount and share of eligible economic activity but not aligned with the taxonomy referred to in section 4.29 of appendices I and II of delegated regulation (EU) 2021/2139 to the CapEx denominator	639	4.2%	639	4.2%	X	X
5	Amount and share of eligible economic activity but not aligned with the taxonomy referred to in section 4.30 of appendices I and II of delegated regulation (EU) 2021/2139 to the CapEx denominator	9,657	63.1%	9,657	63.1%	X	X
(...)							
8	Amount and share of other eligible economic activities but not aligned with the taxonomy not included in lines 1 to 6 to the CapEx denominator	5,012	33%	5,012	33%	-	-
9	Total amount and share of eligible economic activities but not aligned with the taxonomy to the CapEx denominator	15,308	100.0%	15,308	100.0%	-	-

Economic activities

		Amount and share					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€/000)	%	Amount (€/000)	%	Amount (€/000)	%
OpEx							
(...)							
4	Amount and share of eligible economic activity but not aligned with the taxonomy referred to in section 4.29 of appendices I and II of delegated regulation (EU) 2021/2139 to the OpEx denominator	1,016	19.8%	1,016	19.8%	-	-
5	Amount and share of eligible economic activity but not aligned with taxonomy referred to in section 4.30 of appendices I and II of delegated regulation (EU) 2021/2139 to the OpEx denominator	916	17.9%	916	17.9%	-	-
(...)							
8	Amount and share of other eligible economic activities but not aligned with the taxonomy not included in lines 1 to 6 to the OpEx denominator	3,198	62.3%	3,198	62.3%	-	-
9	Total amount and share of eligible economic activities but not aligned with the taxonomy to the OpEx denominator	5,131	100.0%	5,131	100.0%	-	-

Appendix 2 – Performance indicators

Cogeneration production for district heating²²

District heating service data	2024	2023	2022
Length of network in km	199.97	185.46	184.43
Thermal energy fed into the network (kWht)	309,327,675	298,634,512	317,246,664
Heated volume (m ³) – estimate (*)	15,441,533	15,372,855	15,372,855
Number of equivalent apartments (*)	68,935	68,628	68,628
Number of equivalent inhabitants served (estimate)	140,910	140,280	142,785

(*) residential housing unit with trading area and volume of 80 m² and 224 m³ respectively

Distribution of electricity and natural gas²³

Electricity distribution service

Electricity network extension (Km)	2024	2023	2022
High voltage network	45	48	48
Medium Voltage Network	1,789	1,671	1,644
Low voltage network	2,789	2,794	2,753
Total	4,622	4,513	4,445

Distributed Electricity (MWh)	2024	2023	2022
High Pressure	938,604	904,768	953,584
Medium and Low Voltage network	1,828,248	1,860,824	1,913,319
Total	2,766,852	2,765,592	2,866,903

POD Summary (no.)	2024	2023	2022
Low voltage POD	315,565	312,359	308,509
Medium and High Voltage POD	1,122	1,098	1,088
Total	316,687	313,457	309,597

Quality standards of service offered by distribution companies	2024	2023	2022
Total number of services performed	18,389	17,578	18,231
Total number of LV/MV supply activation cases	10,933	10,880	10,954
Total number of LV/MV supply reactivation cases following suspension due to lack of payment	7,456	6,698	7,277

²² The performance indicators of AGSM AIM Calore are subject to assurance by an independent auditing firm, BDO Italia S.p.A.

²³ The performance indicators of V-Reti are subject to assurance by an independent auditing firm, BDO Italia S.p.A.

Natural gas management and distribution service

Gas network length (km)	2024	2023	2022
High-pressure network	20	20	21
Medium Pressure network	947	937	922
Low Pressure network	2,277	2,271	2,241
Total	3,244	3,228	3,184

Gas network pipelines (Km)	2024	2023	2022
Steel pipeline network	2,079	2,085	2,056
Polyethylene pipeline network	936	902	873
Pipelines made of other materials	229	240	255
Total	3,244	3,228	3,184

Gas injected into the network (Million Smc)	2024	2023	2022
Vicenza and province	226.3	217.5	229.2
Province of Padua	4.6	4.5	5.3
Treviso	56.7	55.9	58.3
Province of Verona	208.9	204.0	225.2
Province of Mantua	6.9	6.5	6.6
Total	503.3	488.4	524.4

White certificates (no.)	2024	2023	2022
Gas	24,217	25,471	17,519
Energy	7,016	6,734	5,022
Total	31,233	32,205	22.51

Quality standards of service offered by distribution companies	2024	2023	2022
Total number of services performed	18,596	18,459	19,815
Total number of simple services	1,467	1,438	1,565
Total number of complex services	243	274	255
Total number of supply activation cases	7,289	7,870	8,041
Total number of supply reactivation cases following suspension due to lack of payment	1,980	1,489	1,639

Smart services ²⁴

Public Lighting

Lighting fixtures and public lighting network	2024	2023	2022
Lighting points managed (no.)	81,764	78,956	72,424
of which LED (no.)	73,503	70,701	66,701
Percentage of LED lighting points out of total managed lighting points	89.9%	89.5%	92.1%
Length of network in km	1,052	1,052	1,052

Car parks and car parking services

Managed parking spaces (no.)	2024	2023	2022
Yellow-marked parking spaces	-	-	-
Blue-marked parking spaces	778	778	778
Barrier car parks spaces	1,574	1,574	1,574
Total parking spaces	2,352	2,352	2,352
Total cars entering the car parks	819,574	804,557	1,375,870

²⁴ The performance indicators of AGSM AIM Smart Solutions are subject to assurance by an independent auditing firm, BDO Italia S.p.A.

Climate change – ESRS_E1
Energy consumption and mix

[ESRS_E1, DR E1-5, DP 35, 37a, 37b 37c, 38a, 38b, 38c, 38d, 38e, 39]

Energy consumption	2024	2023	2022
Fuel consumption from coal and coal products (MWh)	0	0	0
Fuel consumption from crude oil and petroleum products (MWh)	45,013	42,366	44,848
Fuel consumption from natural gas (MWh)	766,047	841,986	693,831
Fuel consumption from other fossil sources (MWh)	10	0.5	129
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	4,223	4,118	0
Total energy consumption from fossil sources (MWh)	815,292	888,470	738,808
Share of fossil fuels in total energy consumption (%)	95.5%	96.6%	97.4%
Consumption from nuclear sources (MWh)	0	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0.0%	0.0%	0.0%
Fuel consumption for renewable sources, including biomass (MWh)	0	0	0
Consumption of electricity, steam, and cooling from renewable sources, purchased or acquired (MWh)	38,228	31,202	19,614
The consumption of self-generated non-fuel renewable energy (MWh)	0	0	0
Total energy consumption from renewable sources (MWh)	38,228	31,202	19,614
Share of renewable sources in total energy consumption (%)	4.5%	3.4%	2.6%
Total Energy Consumption (MWh)	853,520	919,672	758,422

Energy intensity per net revenue

[ESRS_E1, DR E1-5, DP 40, 41]

	2024
Total energy consumption of activities in high climate impact sectors (MWh)	853,520
Net revenues from activities in high climate impact sectors (million €)	1,918,072
Total energy consumption of activities in high climate impact sectors relative to net revenues from those activities (MWh/million €)	0.45

Electricity produced (MWh)

[ESRS_E1, DR E1-5, DP 39]

	2024		2023		2022	
Total Non-Renewable	243,323	43.4%	298,005	54.6%	680,817	78.7%
Mincio thermoelectric power plant	65,008		118,307		461,303	
Cogeneration	178,315		179,698		219,514	
Total renewables	317,593	56.6%	247,934	45.4%	183,936	21.3%
Hydroelectric	200,841		113,580		69,006	
Photovoltaic	22,117		21,851		22,255	
Wind	94,634		112,772		92,674	
Total energy produced	560,915	100.0%	545,939	100.0%	864,752	100.0%

Thermal energy fed into the network (MWh_t)

[ESRS_E1, DR E1-5, DP 39]

	2024	2023	2022
Thermal energy fed into the network (MWh _t)	309,328	298,635	317,247

Greenhouse gas emissions (in tCO₂eq)²⁵.

[ESRS_E1, DR E1-6, DP 44a, 44b, 44c, 44d, 45a, 45b, 45c, 45d, 46, 47, 48a, 48b, 49a, 49b, 50a, 50b, 51, 52a, 52b]

Scope 1 (tCO ₂ e)	2024	2023	2022	Change 24/23 %
Gross Scope 1 emissions	192,847	181,544	151,988	6.2%
% of Scope 1 emissions covered by regulated emissions trading systems	65.3%	67.7%	-	-2.5%

Scope 2 (tCO ₂ e)	2024	2023	2022	Change 24/23 %
Gross Scope 2 emissions (location-based)	10,714	11,339	4,165	-0.6%
Gross Scope 2 emissions (market-based)	2,114	1,882	-	12.3%

²⁵ Emission factors used:

Scope 1: DEFRA – GOV. UK - Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors 2024

Scope 2 Location-based: ISPRA - Italian Greenhouse Gas Inventory 1990-2021 National Inventory Report 2024

Scope 2 Market-based: AIB - 2023 European Residual Mix

Scope 3, Category 3: EPA – Environmental Protection Agency 2024.

For emissions from gas, the DEFRA-WTT 2024 emission factor has been used

Scope 3, Category 2: EPA – Environmental Protection Agency 2024

Scope 3, Category 3: DEFRA – GOV. UK - Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors 2024

Scope 3, Category 5: DEFRA – GOV. UK – Waste disposal 2024

Scope 3, Category 6: DEFRA – GOV. UK - Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors 2024

Scope 3, Category 7: DEFRA – GOV. UK - Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors 2024

Scope 3, Category 11: DEFRA – GOV. UK - Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors 2024

Scope 3 (tCO ₂ e)	2024	2023	2022	Change 24/23 %
Scope 3 Total Gross Indirect Emissions	4,210,679	4,378,814	-	1.4%
Purchased goods and services	247,607	-	-	-
(of which Gas)	230,686	-	-	-
Capital goods	51,149	-	-	-
Fuel- and energy-related activities (not included in Scope 1 or 2)	2,451,276	2,993,019	-	-18.1%
Waste generated in operations	264,928	-	-	-
Business travel	12	-	-	-
Employee commuting	3,774	2,442	-	54.6%
Use of sold products	1,191,933	1,383,353	-	-13.8%
Total (Scope 1, Scope 2 location-based and Scope 3)	4,414,240	4,571,138		
Total (Scope 1, Scope 2 market-based and Scope 3)	4,405,640	4,562,240		

GHG intensity based on net revenue

[ESRS_E1, DR E1-6, DP 53, 54]

	2024
Total GHG emissions (location-based) (t CO ₂ eq)	4,414,240
Total GHG emissions (market-based) (t CO ₂ eq)	4,405,640
Net revenues (million €)	1,918,072
Total GHG emissions (location-based) compared to net revenues (t CO₂eq/million €)	2.30
Total GHG emissions (market-based) compared to net revenues (t CO₂eq/million €)	2.30

Own workforce – ESRS_S1

Workforce distribution by gender and location (no.)

[ESRS_S1, DR S1-6, DP 50a]

Group employees	2024	2023	2022
Female	265	257	283
Male	1,182	1,165	1,967
Other	0	0	0
Not reported	0	0	0
Total Italy	1,447	1,422	1,980
Female	304	116	119
Male	596	280	277
Other	0	0	0
Not reported	0	0	0
Total Albania	900	396	396
Total Group	2,347	1,818	2,376

Workforce distribution by contract type and gender (no.)

[ESRS_S1, DR S1-6, DP 50b]

Type of contract	2024		2023		2022	
Permanent contract	2,305	98.2%	1,771	97.4%	2,293	96.5%
Female	566	24.6%	370	20.9%	395	17.2%
Male	1,737	75.4%	1,401	79.1%	1,898	82.8%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%
Fixed-term contract	41	1.7%	47	2.6%	83	3.5%
Female	3	7.3%	3	6.4%	7	8.4%
Male	38	92.7%	44	93.6%	76	91.6%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%
Flexible working hours	1	0.0%	-	0.0%	-	0.0%
Female	-	0.0%	-	0.0%	-	0.0%
Male	1	100.0%	-	0.0%	-	0.0%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%
Type of contract	2024		2023		2022	
Full-time	2,263	96.4%	1,736	95.5%	2,293	96.5%
Female	498	22.0%	304	17.5%	334	14.6%
Male	1,765	78.0%	1,432	82.5%	1,959	85.4%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%

Part-time	84	3.6%	82	4.5%	83	3.5%
Female	71	84.5%	69	84.1%	68	81.9%
Male	13	15.5%	13	15.9%	15	18.1%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%

Workforce distribution by contract type and location (no.)

[ESRS_S1, DR S1-6, DP 50b, 51]

Type of contract	2024		2023		2022	
Permanent contract	2,305	98.2%	1,771	97.4%	2,293	96.5%
Italy	1,405	61.0%	1,375	77.6%	1,897	82.7%
Albania	900	39.0%	396	22.4%	396	17.3%
Fixed-term contract	41	1.7%	47	2.6%	83	3.5%
Italy	41	100.0%	47	100.0%	83	100.0%
Albania	-	0.0%	-	0.0%	-	0.0%
Flexible working hours	1	0.0%	-	0.0%	-	0.0%
Italy	1	100.0%	-	0.0%	-	0.0%
Albania	-	0.0%	-	0.0%	-	0.0%

Type of contract	2024		2023		2022	
Full-time	2,263	96.4%	1,736	95.5%	2,293	96.5%
Italy	1,368	60.5%	1,344	77.4%	1,901	82.9%
Albania	895	39.5%	392	22.6%	392	17.1%
Part-time	84	3.6%	82	4.5%	83	4.5%
Italy	79	94.0%	78	95.1%	79	95.2%
Albania	5	6.0%	4	4.9%	4	4.8%

Recruitment broken down by gender, age, and location (no.)

[ESRS_S1, DR S1-6, DP 50c]

Recruitment	2024	2023	2022
Total recruitment	880	223	424
Female	252	23	54
Male	628	200	370
Other	0	0	0
Not reported	0	0	0
< 30 years old	168	64	64
30 ≤ x ≤ 50 years old	390	117	272
> 50 years old	322	42	88
Italy	157	187	231
Albania	723	36	193

Recruitment broken down by gender, age, and location - environmental focus ²⁶(no.)

[ESRS_S1, DR S1-6, DP 50c]

Recruitment_ ENVIRONMENT BU	2024	2023	2022
Total recruitment	813	144	279
Female	230	5	41
Male	583	139	238
Other	0	0	0
Not reported	0	0	0
< 30 years old	144	31	36
30 ≤ x ≤ 50 years old	349	72	204
> 50 years old	320	41	39
Italy	90	108	86
Albania	723	36	193

²⁶ The recruitment data for the Environment Business Unit includes the following companies: Transeco, Serit, EcoTirana, Valore Ambiente, SIA, and SIT

Terminations broken down by gender, age, and location – environmental focus (no.)

[ESRS_S1, DR S1-6, DP 50c]

Terminations	2024	2023	2022
Total terminations	351	197	441
Female	57	11	50
Male	294	186	391
Other	0	0	0
Not reported	0	0	0
< 30 years old	59	15	38
30 ≤ x ≤ 50 years old	156	50	226
> 50 years old	136	132	177
Italy	132	161	245
Albania	219	36	196

Terminations broken down by gender, age, and location – environmental focus ²⁷(no.)

[ESRS_S1, DR S1-6, DP 50c]

ENVIRONMENT BU Terminations	2024	2023	2022
Total terminations	295	146	291
Female	43	6	39
Male	252	140	252
Other	-	0	0
Not reported	-	0	0
< 30 years old	55	8	35
30 ≤ x ≤ 50 years old	140	43	175
> 50 years old	100	95	81
Italy	76	110	95
Albania	219	36	196

²⁷ The termination data for the Environment Business Unit includes the following companies: Transeco, Serit, EcoTirana, Valore Ambiente, SIA, and SIT

Employee turnover in and out
[ESRS_S1, DR S1-6, DP 50c]

Employee turnover (inflow and outflow)	2024	2023	2022
Employees in total	2,347	1,818	2,376
Total recruitment	880	223	424
Incoming turnover	37.5%	12.3%	18.8%
Total terminations	351	197	441
Outgoing turnover	15.0%	10.8%	19.0%

Average training hours per employee by gender and job level

[ESRS_S1, DR S1-13, DP 83b]

Average hours per employee	2024	2023	2022
Total average hours per employee	19.04	16.15	11.35
Female	16.24	9.52	9.50
Male	19.93	12.90	11.66
Other	0.00	0.00	0.00
Not reported	0.00	0.00	0.00
Managers	20.53	8.94	9.26
Middle managers	27.89	54.93	37.75
White collar workers	36.67	10.17	13.19
Blue collar workers	9.96	5.27	8.62

Training hours by gender and job level (no.)

[ESRS_S1, DR S1-13, DP 83b]

Hours of training	2024		2023		2022	
Female	9,239	20.7%	3,867	13.2%	2,689	12.0%
Male	35,443	79.3%	25,492	86.8%	19,787	88.0%
Other	-	0.0%	-	0.0%	-	0.0%
Not reported	-	0.0%	-	0.0%	-	0.0%
Total training hours	44,682	100.0%	29,359	100.0%	22,475	100.0%
Managers	349	0.8%	322	1.1%	213	0.9%
Middle managers	1,953	4.4%	4,340	14.8%	2,630	11.7%
White collar workers	27,285	61.1%	13,850	47.2%	9,920	44.1%
Blue collar workers	15,096	33.8%	10,848	36.9%	9,710	43.2%

Workforce distribution by gender and job level (no.)

[ESRS_S1, DR S1-9, DP 66a]

	2024						2023						2022					
	Female	%	Male	%	Total	%	Female	%	Male	%	Total	%	Female	%	Male	%	Total	%
Managers	2	0.4%	15	0.8%	17	0.7%	2	0.5%	17	1.2%	19	1.0%	2	0.5%	21	1.1%	23	1.0%
Middle managers	17	3.0%	53	3.0%	70	3.0%	16	4.3%	55	3.8%	71	3.9%	16	4.0%	63	3.2%	79	3.3%
White collar workers	253	44.5%	491	27.6%	744	31.7%	238	63.8%	463	32.0%	701	38.6%	259	64.4%	506	25.6%	765	32.2%
Blue collar workers	297	52.2%	1,219	68.6%	1,516	64.6%	117	31.4%	910	63.0%	1,027	56.5%	125	31.1%	1,384	70.1%	1,509	63.5%
Total	569	24.2%	1,778	75.8%	2,347	100.0%	373	20.5%	1,445	79.5%	1,818	100.0%	402	16.9%	1,974	83.1%	2,376	100.0%

Workforce distribution by age and job level (no.)

[ESRS_S1, DR S1-9, DP 66b]

	2024					2023					2022				
	< 30 years old	30 ≤ x ≤ 50 years old	> 50 years old	Total	%	< 30 years old	30 ≤ x ≤ 50 years old	> 50 years old	Total	%	< 30 years old	30 ≤ x ≤ 50 years old	> 50 years old	Total	%
Managers	0	2	15	17	0.7%	0	2	17	19	1.0%	0	1	22	23	1.0%
Middle managers	0	32	38	70	3.0%	1	32	38	71	3.9%	0	26	53	79	3.3%
White collar workers	63	320	361	744	31.7%	44	307	350	701	38.6%	38	310	417	765	32.2%
Blue collar workers	146	612	758	1,516	64.6%	68	409	550	1,027	56.5%	31	673	805	1,509	63.5%
Total	209	966	1,172	2,347	100.0%	113	750	955	1,818	100.0%	69	1,010	1,297	2,376	100.0%

Remuneration metrics (pay gap and total compensation)

[ESRS_S1, DR S1-16, DP 97a, 97b]

Ratio female/male	2024		2023	
	Base Pay	Remuneration	Base Pay	Remuneration
Senior managers and middle managers	93.0%	94.9%	93.7%	92.2%
Less than 6 years	83.3%	82.7%	94.3%	106.9%
Between 6 and 15 years	76.9%	73.1%	76.4%	62.7%
between 16 and 25 years	96.5%	98.2%	92.9%	88.4%
More than 26 years	122.1%	135.1%	150.1%	65.4%
White collar workers	92.4%	91.8%	92.2%	74.4%
Less than 6 years	92.8%	91.5%	93.0%	75.6%
Between 6 and 15 years	97.0%	96.8%	95.1%	75.6%
between 16 and 25 years	91.9%	91.7%	89.7%	74.8%
More than 26 years	92.0%	91.2%	93.3%	73.6%
Blue collar workers	76.0%	73.9%	80.0%	61.9%
Less than 6 years	0.0%	0.0%	0.0%	0.0%
Between 6 and 15 years	0.0%	0.0%	91.8%	81.5%
between 16 and 25 years	77.3%	75.3%	77.6%	54.3%
More than 26 years	0.0%	0.0%	0.0%	0.0%

Health and safety metrics

[ESRS_S1, DR S1-14, DP 88a, 88b, 88c, 88d, 88e]

Own workforce	2024	2023	2022
Deaths due to work-related injuries (no.)	0	0	0
Deaths due to work-related illnesses (no.)	0	0	0
Work-related injuries (no.) ¹⁸	60	80	79
Claims for work-related diseases (no.)	18	17	3
Hours worked (no.)	3,603,988	3,205,736	3,159,386
Lost working days (no.)	2,198	2,602	2,338
Severity rate (*)	0.48	0.65	0.74
Rate of workplace injuries with serious consequences (**)	3.33	4.37	7.00
Rate of recordable accidents in the workplace (***)	16.6	25.00	25.00
Percentage of employees covered by the health and safety management system	100%	100%	100%

(*) The severity rate corresponds to the ratio between the number of actual accident days and the number of hours worked multiplied by 1,000.

(**) Rate of accidents in the workplace correspond to the ratio between the number of serious accidents and the number of hours worked multiplied by 1,000,000.

(***) Rate of accidents in the workplace correspond to the ratio between the number of accidents and the number of hours worked multiplied by 1,000,000.

Health and safety metrics

[ESRS_S1, DR S1-14, DP 88b, 89]

Value chain employees at AGSM AIM sites	2024	2023	2022
Deaths due to work-related injuries (no.)	0	0	0
Deaths due to work-related illnesses (no.)	0	0	0

¹⁸ The data does not include the number of commuting accidents
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Consumers and end-users – ESRS_S4¹⁹

Energy customers served by the commercial companies of the AGSM AIM Group

Energy customers	2024	2023	2022
Electricity	563,348	530,192	527,558
Natural gas	326,312	322,077	320,294
Heat (*)	2,944	2,939	2,956
Total	892,604	855,208	850,808

(*) Customers of the district heating service

Geographical distribution of energy customers

Geographical customers (*)	distribution of	Electricity			Natural gas		
		2024	2023	2022	2024	2023	2022
Veneto (%)		44.2%	47.9%	50.7%	67.9%	70.8%	74.8%
Abruzzo (%)		1.8%	1.6%	n.a.	4.0%	4.2%	n.a.
Other regions (%)		54.1%	50.5%	49.3%	28.0%	25.1%	25.2%

(*) Net of district heating customers

Customer served at the desk

Customer served at the desk	2024	2023	2022
Customer served at the desk (no.)	118,867	61,270	54,873
Average number of customers served per desk	11,041	3,829	3,920
Requests handled by the online service desks (no.)	280,387	391,584	305,978
Desk files percentage	72.6%	76.0%	66.2%

Average waiting time at the service desks

Average waiting time (Min)	2024	2023	2022
Verona desk - Single queue	05:36	04:21	19:26
CogasPiù Energie desk - Payment queue	02:50	04:00	04:18

Call centre calls

Call centre calls	2024	2023	2022
Calls received by the company call center (no.)	477,028	785,221	551,815
Average time to answer received calls (seconds)	119	158	127

Invoices issued

¹⁹ The performance indicators of the Energy Business Unit are subject to assurance activities by an independent auditing firm, BDO Italia S.p.A.

Invoices issued	2024	2023	2022
Total invoices issued (no.)	4,501,539	5,117,891	4,012,489
Electronic invoices issued (no.)	2,437,817	2,612,872	1,705,352
Percentage of electronic invoices issued (%)	54.2%	51.1%	42.5%

Payment methods used for settling invoices

Payment methods used (%)	2024	2023	2022
SEPA direct debit	58.5%	56.7%	54.8%
Pre-Printed Postal Payment Slips	25.4%	27.1%	24.2%
Collection Orders, Bank Transfers	12.8%	13.3%	16.1%
Cbill - PagoPA	1.9%	2.1%	3.0%
Credit/debit card	1.4%	0.8%	1.9%

Contracts eligible for the Electricity bonus

Social Electricity bonuses (no.)	2024	2023	2022
Number of contracts eligible for the Electricity bonus (no.)	70,018	74,699	57,675
Number of contracts eligible for the GAS bonus (no.)	52,156	51,937	34,083
Total	122,174	126,636	91,758

Social Bonuses paid

Value of social bonuses (€/000)	2024	2023	2022
Electricity Bonus	11,925	25,151	30,938
Gas Bonus	2,981	34,010	30,268
Total	14,906	59,161	61,206

Appendix 3 – Disclosure requirements index

[ESRS_2, IRO-2, DP 56]

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Disclosure Requirement		Reference pages
S1-10	Adequate wages	139-141
S1-12	People with disabilities	142
S1-13	Training and skills development metrics	142-143, 199
S1-14	Health and safety metrics	143-145
S1-15	Work-life balance metrics	139-141
S1-16	Compensation metrics (pay gap and total compensation)	142, 201
S1-17	Incidents, complaints and severe human rights impacts	142, 202
S2 – WORKERS IN THE VALUE CHAIN		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	146-148
S2-1	Policies related to own workforce	149-151
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	149-151
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	151
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	152
S3 – AFFECTED COMMUNITIES		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	153-154
S3-1	Policies relating to affected communities	155
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	155-158
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	155-158
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	159
S4 – CONSUMERS AND END-USERS		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	160
S4-1	Policies related to consumers and end-users	162
S4-3	Consumer and end-user engagement processes	165-166
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	162-165
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	167
G1 – BUSINESS CONDUCT		

Disclosure Requirement		Reference pages
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	19-170
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	167-169
G1-1	Business conduct policies and corporate culture	60, 171-173
G1-2	Management of relationships with suppliers	149-151, 174
G1-3	Prevention and detection of corruption and bribery	171-172
G1-4	Proven cases of active and passive corruption	175
G1-5	Political influence and lobbying activities	174
G1-6	Payment practices	174

Appendix 4 - List of datapoints in cross-cutting and topical standards that derive from other EU legislation

[ESRS_2 APPENDIX B]

Disclosure Requirement and related datapoint	SFDR Reference ²⁰	Third Pillar Reference ²¹	Reference to the Benchmark Regulation ²²	Reference to the EU Climate Regulation ²³	Sustainability Report Sections
ESRS 2 GOV-1 Gender diversity on the board, DP 21, letter d)	X		X		1.4 Sustainability Governance
ESRS 2 GOV-1 Percentage of independent members of the Board of Directors, DP 21, letter e)			X		1.4 Sustainability Governance
ESRS 2 GOV-4 Duty of Diligence Statement, DP 30	X				1.4.2 Declaration of Due Diligence
ESRS 2 SBM-1 Involvement in activities related to the fossil fuel sector, DP 40, letter d), point i)	X	X	X		1.2 Business Model and Strategy
ESRS 2 SBM-1 Involvement in activities related to chemical production, DP 40, letter d), point ii)	X		X		n.a.
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, DP 40, letter d), point iii)	X		X		n.a.
ESRS 2 SBM-1 Involvement in activities related to tobacco cultivation and production, DP 40, letter d), point iv)			X		n.a.
ESRS E1-1 Transition plan to reach climate neutrality by 2050 DP 14				X	n.a.
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks DP 16 (g)		X	X		n.a.
ESRS E1-4 GHG emission reduction targets DP 34	X	X	X		2.1.1 Strategy
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources	X				2.1.3 Metrics and targets

²⁰ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

²¹ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

²² Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

²³ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).








Disclosure Requirement and related datapoint	SFDR Reference ²⁰	Third Pillar Reference ²¹	Reference to the Benchmark Regulation ²²	Reference to the EU Climate Regulation ²³	Sustainability Report Sections
(only high climate impact sectors) DP 38					
ESRS E1-5 Energy consumption and mix, DP 37	X				2.1.3 Metrics and targets
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	X				2.1.3 Metrics and targets
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, DP 44	X	X	X		2.1.3 Metrics and targets
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	X	X	X		2.1.3 Metrics and targets
ESRS E1-7 GHG removals and carbon credits, DP 56				X	n.a.
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, DP 66			X		Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk DP 66 (a) ESRS E1-9 Location of significant assets at material physical risk DP 66 (c)		X			Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes DP 67 (c)		X			Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities DP 69			X		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, DP 28	X				2.2.2 Metrics and targets
ESRS E3-1 Water and marine resources, DP 9	X				2.3 Water and marine resources
ESRS E3-1 Dedicated policy DP 13	X				2.3.1 Impacts, risks and opportunities management






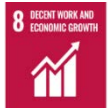




Disclosure Requirement and related datapoint	SFDR Reference ²⁰	Third Pillar Reference ²¹	Reference to the Benchmark Regulation ²²	Reference to the EU Climate Regulation ²³	Sustainability Report Sections
ESRS E3-1 Sustainable oceans and seas DP 14	X				n.a.
ESRS E3-4 Total water recycled and reused DP 28 (c)	X				2.3.2 Metrics and targets
ESRS E3-4 Total water consumption in m3 per net revenue on own operations DP 29	X				2.3.2 Metrics and targets
ESRS 2 SBM-3 – E4 DP 16 (a) (i)	X				2.4 Biodiversity and ecosystems
ESRS 2 SBM-3 – E4 DP 16, (b)	X				2.4 Biodiversity and ecosystems
ESRS 2 SBM-3 – E4 DP 16, letter c)	X				2.4 Biodiversity and ecosystems
ESRS E4-2 Sustainable land / agriculture practices or policies DP 24 (b)	X				2.4.1 Impacts, risks and opportunities management
ESRS E4-2 Sustainable oceans / seas practices or policies DP 24 (c)	X				n.a.
ESRS E4-2 Policies to address deforestation DP 24 (d)	X				2.4.1 Impacts, risks and opportunities management
ESRS E5-5 Unrecycled waste, DP 37, (d)	X				2.5.2 Metrics and targets
ESRS E5-5 Hazardous Waste and Radioactive Waste, DP 39	X				2.5.2 Metrics and targets
ESRS 2- SBM3 - S1 Risk of incidents of forced labour DP 14 (f)	X				3.1 Own workforce
ESRS 2- SBM3 - S1 Risk of incidents of child labour DP 14 (g)	X				3.1 Own workforce
ESRS S1-1 Human rights policy commitments DP 20	X				n.a.
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, DP 21			X		3.1.2 Impacts, risks and opportunities management
ESRS S1-1 Processes and measures for preventing trafficking in human beings DP 22	X				n.a.
ESRS S1-1 Workplace accident prevention policy or management system DP 23	X				3.1.3 Metrics and targets
ESRS S1-3	X				3.1 Own workforce

Disclosure Requirement and related datapoint	SFDR Reference ²⁰	Third Pillar Reference ²¹	Reference to the Benchmark Regulation ²²	Reference to the EU Climate Regulation ²³	Sustainability Report Sections
Grievance/complaints handling mechanisms DP 32 (c)					
ESRS S1-14 Number of fatalities and number and rate of work-related accidents DP 88 (b) and (c)	X		X		3.1.3 Metrics and targets
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness DP 88 (e)	X				3.1.3 Metrics and targets
ESRS S1-16 Unadjusted gender pay gap DP 97 (a)	X		X		3.1.3 Metrics and targets
ESRS S1-16 Excessive CEO pay ratio DP 97 (b)	X				n.a.
ESRS S1-17 Incidents of discrimination DP 103 (a)	X				3.1.3 Metrics and targets
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD DP 104 (a)	X		X		3.1.3 Metrics and targets
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain DP 11 (b)	X				3.1.3 Metrics and targets
ESRS S2-1 Human rights policy commitments DP 17	X				n.a.
ESRS S2-1 Policies related to value chain workers DP 18	X				3.2 Workers in the value chain
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines DP 19	X		X		3.2.2 Impacts, risks and opportunities management
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, DP 19			X		3.2.2 Impacts, risks and opportunities management
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain DP 36	X				3.2.2 Impacts, risks and opportunities management
ESRS S3-1 Human rights policy commitments DP 16	X				n.a.

Disclosure Requirement and related datapoint	SFDR Reference ²⁰	Third Pillar Reference ²¹	Reference to the Benchmark Regulation ²²	Reference to the EU Climate Regulation ²³	Sustainability Report Sections
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines DP 17	X		X		3.3.2 Impacts, risks and opportunities management
ESRS S3-4 Human rights issues and incidents DP 36	X				3.3.2 Impacts, risks and opportunities management
ESRS S4-1 Policies related to consumers and end-users DP 16	X				3.4.2 Impacts, risks and opportunities management
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines DP 17	X		X		3.4.2 Impacts, risks and opportunities management
ESRS S4-4 Human rights issues and incidents DP 35	X				3.4.2 Impacts, risks and opportunities management
ESRS G1-1 United Nations Convention against Corruption DP 10 (b)	X				4.1.2 Impacts, risks and opportunities management
ESRS G1-1 Whistleblower Protection, DP 10 (d)	X				4.1.2 Impacts, risks and opportunities management
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws DP 24 (a)	X		X		4.1.3 Metrics and targets
ESRS G1-4 Standards of anti-corruption and anti-bribery DP 24 (b)	X				4.1 Business conduct

Appendix 5 - Concordance table between material topics and SDGs

MATERIAL TOPIC	GLOBAL GOALS	GROUP COMMITMENTS
Climate change		The AGSM AIM Group promotes climate change mitigation strategies in order to reduce climate-changing emissions that have a direct impact on the quality of the environment in which we live. It pays great attention and makes important investments in developing renewable sources in order to create a more sustainable energy system, less dependent on fossil fuels and, therefore, less polluting.
Decarbonisation, energy efficiency and the use of renewable sources		The AGSM AIM Group is constantly committed to minimising its environmental impact, with particular regard to reducing CO2 emissions. In this regard, the Group is committed to implementing improvement plans aimed at containing and reducing its climate-changing emissions, through the continuous energy efficiency of its offices and plants and the progressive replacement of the company's fleet with new vehicles and cars with low environmental impact.
Protection of the environment, biodiversity and ecosystems		The AGSM AIM Group is committed to safeguarding the natural value and biodiversity of the territories in which it operates and that are affected by the presence of its plants by implementing appropriate environmental safeguards and measures. While performing its activities, the AGSM AIM Group adopts a business model that is attentive to sustainable and environmentally responsible behaviour. It pays particular attention to the flora and fauna of the places where it operates, undertaking to carry out its activities by taking into account the needs of the surrounding ecosystem and to promptly correct any negative impacts that may occur as part of its business activities.
Circular economy		AGSM AIM is committed to respecting the principles of sustainability and circular economy through a responsible use of natural resources and a targeted use of new raw materials when carrying out its activities.
Smart cities and sustainable mobility		The AGSM AIM Group focuses on innovation and the green economy by providing robust development models for all the services offered with the aim of accompanying the public administration in the energy and digital transition and by supporting local communities with its effectiveness in managing energy efficiency projects and its expertise in managing complex projects such as the redevelopment in public buildings.
Development of distribution networks		The AGSM AIM Group is committed to making its infrastructures increasingly resilient and able to remain available even in times of climate emergency, ensuring the continuous provision of essential services and helping to mitigate the effects of climate change in the territories where it is present with its assets.
Attention to customer needs and customer satisfaction		AGSM AIM promotes responsible management throughout the supply chain by adopting sustainable procurement policies in order to promote integrated and effective supply chain management capable of reducing the environmental and social impacts generated.

MATERIAL TOPIC	GLOBAL GOALS	GROUP COMMITMENTS
Corporate wellbeing, diversity and inclusion – protection of human rights	  	<p>Attention to People is a central element of the AGSM AIM Group's growth project as they represent an essential factor for carrying out the activity and achieving the company objectives.</p> <p>AGSM AIM promotes an inclusive work environment that encourages work-life balance, values people, respects human dignity and individuality and is committed to ensuring that recruitment, development and career advancement are based on merit and free of any form of discrimination.</p>
Occupational health and safety		<p>The AGSM AIM Group considers the health and safety of the person a priority for its business model. In this regard, it has implemented an effective management system compliant with the international standard ISO 45001 which, together with staff training and awareness-raising activities, plays a key role in reducing health and safety risks for staff.</p>
Commitment to local communities and protection of the territory		<p>AGSM AIM supports the development and economic growth of the People who live in the territory in which the Group operates, generating job opportunities and preferring the selection of local suppliers.</p> <p>The Group is committed to increasing the development and the economic as well as social and cultural well-being of communities, thanks to sponsorships and donations, investing in projects that can generate a positive impact on People.</p>
Responsible supply chain management	 	<p>The choice of suppliers is inspired by principles of impartiality, competence, competition and cost-effectiveness, as well as principles of transparency and excellence, in compliance with the highest quality standards. The supply relationships are based on compliance with the laws and regulations in force also in the field of labour, human rights, health and safety, environmental protection, the fight against corruption and illegality.</p> <p>The AGSM AIM Group prefers the choice of qualified, reliable suppliers and, where possible, located in its reference territory. Support for local production is, in fact, an integral part of the Group's commitment to the communities where it operates, in order to foster the development of the local economy, promoting the creation of shared value.</p>
Technological innovation and digital transformation		<p>The AGSM AIM Group is committed to adopting innovative technologies capable of ensuring cultural and social evolution, in an efficient business context, also with respect for the protection of personal data.</p>
Governance geared towards sustainable success		<p>The Group organises its business activities in order to achieve sustainable success to benefit its stakeholders.</p>
Business integrity and corporate reputation		<p>The AGSM AIM Group carries out business activities inspired by high standards of fairness, loyalty, integrity and transparency and in compliance with current legislation. In this regard, the Group adopts policies aimed at spreading the culture of legality, protecting the company's reputation, thus ensuring value creation over time. In the belief that the fight against corruption represents a fundamental value in the conduct of its business, AGSM AIM has defined and adopted, on a voluntary basis, its Group Code of Ethics, the Anti-Corruption Policy and, where deemed appropriate, the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.</p>



Report of the Independent Auditors on the Sustainability Report

AGSM AIM S.p.A.

Independent auditors' limited assurance
report on the consolidated sustainability
statement pursuant to article 14-bis of
Legislative Decree no. 39 of
27 January 2010

Consolidated sustainability
statement as at 31 December 2024

*This independent auditors' limited assurance
report has been translated into English language
from the original, which was prepared in Italian
and represents the only authentic copy, solely for
the convenience of international readers.*

The BDO logo is positioned within a red triangular graphic in the bottom right corner of the page. The logo itself consists of the letters 'BDO' in a bold, white, sans-serif font, with a horizontal line underneath the letters.

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative decree no. 39 of 27 January 2010

(Translation from the original Italian text)

To the shareholders of
AGSM AIM S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative Decree no. 125 of 6 September 2024 (the "Decree"), we have been engaged to perform a limited assurance engagement on the 2024 consolidated sustainability statement of the AGSM AIM Group (the "Group") prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated management report.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the Group's 2024 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in the "European Taxonomy Disclosure" section and in the "Appendix 1 - European Taxonomy" of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of European Regulation n. 852 dated 18 June 2020 (hereinafter the "Taxonomy Regulation").

Basis for conclusion

We have performed the limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in this type of engagement vary in nature and timing compared to those necessary for an engagement aimed at obtaining a reasonable level of assurance and are also less extensive.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under that standard are further described in the "Auditors' responsibilities for the limited assurance engagement on the consolidated sustainability statement" section of our report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

Our firm applies *International Standard on Quality Management (ISQM Italia) 1* and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We believe that the evidence we have acquired is sufficient and appropriate to provide a basis for our conclusion.

Other matters

The comparative information presented in the consolidated sustainability statement relating to previous financial years has not been subjected to an assurance engagement.

Bari, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Roma, Torino, Verona

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Responsibilities of the directors and the board of statutory auditors of AGSM AIM S.p.A. for the consolidated sustainability statement

The directors are responsible for designing and implementing the procedures to identify the information included in the consolidated sustainability statement in accordance with the ESRS (the “materiality assessment process”) and for the description of these procedures in the “Key sustainability issues” section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in the “European Taxonomy Disclosure” section and in the “Appendix 1 - European Taxonomy” with article 8 of the Taxonomy Regulation.

Moreover, the directors are responsible, within the terms established by the Italian law, for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. They are also responsible for selecting and applying appropriate methods to produce disclosures and formulating assumptions and estimates about specific information on sustainability matters that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, within the terms established by the Italian law, compliance with the Decree’s provisions.

Inherent limitations in preparing the consolidated sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the Directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group’s actions that are not necessarily expected to occur. Due to the uncertainty associated with the realization of any future event, both as regards to the materialization of the event and as regards to the extent and timing of its manifestation, the variations between the actual values and the prospective information could be material.

Group’s disclosures about greenhouse gas Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 information from value chain.

Auditors’ responsibilities for the limited assurance engagement on the consolidated sustainability statement

Our objectives are to plan and perform procedures in order to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or not intentional behaviors or events, and to issue an assurance report that includes our conclusions. Misstatements can arise from fraud or not intentional behaviors or events and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of intended users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with the *Standard on Sustainability Assurance Engagement - SSAE (Italia)*, we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify disclosures where a material misstatement is likely to occur, whether due to fraud or not intentional behaviors or events;



- designing and performing procedures to address disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from not intentional behaviors or events, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- directing, supervising and performing the limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusions on the consolidated sustainability statement.

Summary of the work performed

An engagement aimed at obtaining a limited level of assurance involves performing procedures to obtain evidence as a basis for our conclusions.

The procedures performed were based on our professional judgement and included inquiries, primarily of the AGSM AIM S.p.A.'s personnel responsible for the preparation of the information presented in the consolidated sustainability statement, as well as documents analyses, recalculations and other evidence-gathering procedures, as appropriate.

We have performed the following main procedures:

- understanding the Group's business model, strategies and operating environment with regard to sustainability matters;
- understanding the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement;
- understanding the process adopted by the Group to identify and assess material sustainability-related impacts, risks and opportunities, based on the double materiality principle;
- identifying disclosures in which a material misstatement is likely to occur, whether due to fraud or error;
- designing and performing procedures, based on our professional judgement, to address the identified risks of material misstatement;
- understanding the process adopted by the Group to determine taxonomy-eligible activities and determine their aligned nature based on the provision of the Taxonomy Regulation, and verifying the related disclosures presented in the consolidated sustainability statement;
- cross-checking the information contained in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework or with the accounting records used for the preparation of the consolidated financial statements or with the accounting management figures;
- verifying the structure and presentation of the disclosures included in consolidated sustainability statement in accordance with the ESRS;
- obtaining the representation letter.

Verona, May 22, 2025

BDO Italia S.p.A.
Signed in the original by

Francesco Ballarin
Partner